

HOUSE BILL 1399

Q7, Q2

71r3399

By: **Delegate Donoghue**

Introduced and read first time: March 5, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Washington County – Taxes – Municipal Corporations**

3 FOR the purpose of adding Washington County to those counties to which a certain
4 property tax setoff procedure applies; requiring the governing body of
5 Washington County to distribute certain recordation tax revenue to municipal
6 corporations in Washington County; requiring the Washington County Director
7 of Finance to distribute certain transfer tax revenue to municipal corporations
8 in Washington County; and generally relating to certain taxes and tax revenues
9 in Washington County.

10 BY repealing and reenacting, without amendments,
11 Article – Tax – Property
12 Section 6–305(a) and (c)
13 Annotated Code of Maryland
14 (2001 Replacement Volume and 2006 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Tax – Property
17 Section 6–305(b)
18 Annotated Code of Maryland
19 (2001 Replacement Volume and 2006 Supplement)

20 BY adding to
21 Article – Tax – Property
22 Section 12–116
23 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2001 Replacement Volume and 2006 Supplement)

2 BY repealing and reenacting, with amendments,
3 The Public Local Laws of Washington County
4 Section 2-702(d)(1)
5 Article 22 – Public Local Laws of Maryland
6 (1991 Edition and December 1997 Supplement, as amended)
7 (As enacted by Chapter 468 of the Acts of the General Assembly of 2003, as
8 amended by Chapter 398 of the Acts of the General Assembly of 2004)

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That the Laws of Maryland read as follows:

11 **Article – Tax – Property**

12 6-305.

13 (a) In this section, “tax setoff” means:

14 (1) the difference between the general county property tax rate and
15 the property tax rate that is set for assessments of property in a municipal
16 corporation; or

17 (2) a payment to a municipal corporation to aid the municipal
18 corporation in funding services or programs that are similar to county services or
19 programs.

20 (b) This section applies only in:

21 (1) Allegany County;

22 (2) Anne Arundel County;

23 (3) Baltimore County;

24 (4) Frederick County;

25 (5) Garrett County;

26 (6) Harford County;

27 (7) Howard County;

1 (8) Montgomery County; [and]

2 (9) Prince George's County; AND

3 (10) WASHINGTON COUNTY.

4 (c) The governing body of the county shall meet and discuss with the
5 governing body of any municipal corporation in the county the county property tax
6 rate to be set for assessments of property in the municipal corporation as provided in
7 this section. After the meeting if it can be demonstrated that a municipal corporation
8 performs services or programs instead of similar county services or programs, the
9 governing body of the county shall grant a tax setoff to the municipal corporation.

10 **12-116.**

11 (A) **THE GOVERNING BODY OF WASHINGTON COUNTY SHALL**
12 **DISTRIBUTE TO A MUNICIPAL CORPORATION THE RECORDATION TAX REVENUE**
13 **ATTRIBUTABLE TO AN INSTRUMENT OF WRITING FOR PROPERTY LOCATED IN**
14 **THE MUNICIPAL CORPORATION.**

15 (B) **IF AN INSTRUMENT OF WRITING IS FOR PROPERTY ONLY PART OF**
16 **WHICH IS LOCATED IN A MUNICIPAL CORPORATION, THE GOVERNING BODY OF**
17 **WASHINGTON COUNTY SHALL DISTRIBUTE TO THE MUNICIPAL CORPORATION**
18 **THE PORTION OF THE RECORDATION TAX REVENUE REFLECTING THE VALUE OF**
19 **THE PROPERTY THAT IS WITHIN THE MUNICIPAL CORPORATION.**

20 **Article 22 - Washington County**

21 2-702.

22 (d) (1) (I) [The] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
23 **THIS PARAGRAPH, THE** County Director of Finance shall deposit the revenues from
24 the transfer tax into a special fund.

25 (II) 1. **THE COUNTY DIRECTOR OF FINANCE SHALL**
26 **DISTRIBUTE TO A MUNICIPAL CORPORATION THE REVENUE FROM THE**
27 **TRANSFER TAX ATTRIBUTABLE TO AN INSTRUMENT OF WRITING FOR PROPERTY**
28 **LOCATED IN THE MUNICIPAL CORPORATION.**

1 **2. IF AN INSTRUMENT OF WRITING IS FOR PROPERTY**
2 **ONLY PART OF WHICH IS LOCATED IN A MUNICIPAL CORPORATION, THE**
3 **COUNTY DIRECTOR OF FINANCE SHALL DISTRIBUTE TO THE MUNICIPAL**
4 **CORPORATION THE PORTION OF THE REVENUE FROM THE TRANSFER TAX**
5 **REFLECTING THE VALUE OF THE PROPERTY THAT IS WITHIN THE MUNICIPAL**
6 **CORPORATION.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 July 1, 2007.