

HOUSE BILL 233

Q1, N1

9lr1269

By: **Delegates Ali, Beidle, V. Clagett, Glenn, Healey, Holmes, Lafferty, Niemann, Shewell, Sossi, Stein, and Weir**
Introduced and read first time: January 28, 2009
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Full Disclosure of Real Estate Taxes Act**

3 FOR the purpose of requiring the State Department of Assessments and Taxation to
4 maintain a certain website through which a person may estimate certain
5 property taxes; requiring that the website be made available to the public by a
6 certain date; requiring that a certain form developed by the State Real Estate
7 Commission contain a certain notice; and generally relating to certain property
8 taxes.

9 BY adding to
10 Article – Tax – Property
11 Section 2–218.1
12 Annotated Code of Maryland
13 (2007 Replacement Volume and 2008 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article – Real Property
16 Section 10–702(b) and (f)
17 Annotated Code of Maryland
18 (2003 Replacement Volume and 2008 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Real Property
21 Section 10–702(c)
22 Annotated Code of Maryland
23 (2003 Replacement Volume and 2008 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Tax – Property**

2 **2-218.1.**

3 (A) **IN THIS SECTION, “FULL-YEAR PROPERTY TAX” INCLUDES:**

4 (1) **ALL STATE, COUNTY, MUNICIPAL CORPORATION, OR SPECIAL**
5 **DISTRICT PROPERTY TAXES; AND**

6 (2) **ANY OTHER NONTAX FEE OR CHARGE INCLUDED ON THE**
7 **CONSOLIDATED TAX BILL.**

8 (B) (1) **THE DEPARTMENT SHALL MAINTAIN AN INTERNET WEBSITE**
9 **THAT PROVIDES MEANS BY WHICH A PERSON MAY ESTIMATE THE FULL-YEAR**
10 **PROPERTY TAX FOR THE NEXT FULL TAX YEAR ON A RESIDENTIAL PROPERTY IN**
11 **THE STATE.**

12 (2) **THE INTERNET WEBSITE REQUIRED UNDER PARAGRAPH (1)**
13 **OF THIS SUBSECTION SHALL BE AVAILABLE TO THE PUBLIC ON OR BEFORE**
14 **JANUARY 1, 2010.**

15 **Article – Real Property**

16 10-702.

17 (b) (1) This section applies only to single family residential real property
18 improved by four or fewer single family units.

19 (2) This section does not apply to:

20 (i) The initial sale of single family residential real property:

21 1. That has never been occupied; or

22 2. For which a certificate of occupancy has been issued
23 within 1 year before the vendor and purchaser enter into a contract of sale;

24 (ii) A transfer that is exempt from the transfer tax under §
25 13-207 of the Tax – Property Article, except land installment contracts of sale under §
26 13-207(a)(11) of the Tax – Property Article and options to purchase real property
27 under § 13-207(a)(12) of the Tax – Property Article;

28 (iii) A sale by a lender or an affiliate or subsidiary of a lender
29 that acquired the real property by foreclosure or deed in lieu of foreclosure;

1 (iv) A sheriff's sale, tax sale, or sale by foreclosure, partition, or
2 by court appointed trustee;

3 (v) A transfer by a fiduciary in the course of the administration
4 of a decedent's estate, guardianship, conservatorship, or trust;

5 (vi) A transfer of single family residential real property to be
6 converted by the buyer into a use other than residential use or to be demolished; or

7 (vii) A sale of unimproved real property.

8 (c) (1) A vendor of single family residential real property shall complete
9 and deliver to each purchaser:

10 (i) A written residential property condition disclosure
11 statement on a form provided by the State Real Estate Commission; or

12 (ii) A written residential property disclaimer statement on a
13 form provided by the State Real Estate Commission.

14 (2) (I) The State Real Estate Commission shall develop by
15 regulation a single standardized form that includes the residential property condition
16 disclosure and disclaimer statements required by this subsection.

17 (II) **THE FORM DEVELOPED UNDER SUBPARAGRAPH (I) OF**
18 **THIS PARAGRAPH SHALL INCLUDE THE FOLLOWING STATEMENT:**

19 **“DUE TO A VARIETY OF MARYLAND PROPERTY TAX CREDIT PROGRAMS,**
20 **THE BUYER'S PROPERTY TAX BILL MAY BE SIGNIFICANTLY DIFFERENT THAN**
21 **THE TAX BILL PAID PREVIOUSLY BY THE SELLER OF THE PROPERTY. BUYERS**
22 **SHOULD CONTACT THE LOCAL GOVERNMENT FOR AN ESTIMATE OF THEIR**
23 **PROPERTY TAX OBLIGATION.”**

24 (f) (1) Except as provided in paragraphs (2) and (3) of this subsection, the
25 vendor shall deliver the completed disclosure or disclaimer statement required by this
26 section to the purchaser on or before entering into a contract of sale by the vendor and
27 the purchaser.

28 (2) The disclosure or disclaimer statement shall be delivered to each
29 purchaser before the execution of the contract of sale by the purchaser in the case of a
30 land installment contract, as defined in § 10-101 of this title.

31 (3) The disclosure or disclaimer statement shall be delivered to each
32 purchaser before the execution by the purchaser of an option to purchase agreement or
33 a lease agreement containing an option to purchase provision.

1 (4) At the time the disclosure or disclaimer statement is delivered,
2 each purchaser shall date and sign a written acknowledgment of receipt, which shall
3 be included in or attached to the contract of sale.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2009.