

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

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 24, 2009

CHAPTER _____

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2003 Replacement Volume and 2008 Supplement)

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

4 ~~Article – Tax – Property~~

5 ~~2-218.1.~~

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

7 ~~(1) ALL STATE, COUNTY, MUNICIPAL CORPORATION, OR SPECIAL~~
8 ~~DISTRICT PROPERTY TAXES; AND~~

9 ~~(2) ANY OTHER NONTAX FEE OR CHARGE INCLUDED ON THE~~
10 ~~CONSOLIDATED TAX BILL.~~

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

15 ~~(2) THE INTERNET WEBSITE REQUIRED UNDER PARAGRAPH (1)~~
16 ~~OF THIS SUBSECTION SHALL BE AVAILABLE TO THE PUBLIC ON OR BEFORE~~
17 ~~JANUARY 1, 2010.~~

18 Article – Real Property

19 10-702.

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

22 (2) This section does not apply to:

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

24 1. That has never been occupied; or

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

27 (ii) A transfer that is exempt from the transfer tax under §
28 13-207 of the Tax – Property Article, except land installment contracts of sale under §
29 13-207(a)(11) of the Tax – Property Article and options to purchase real property
30 under § 13-207(a)(12) of the Tax – Property Article;

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

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

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

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

9 (vii) A sale of unimproved real property.

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

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

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

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

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

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

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

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

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

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

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

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.