

HOUSE BILL 1184

Q2

9lr2253

By: **Washington County Delegation**

Introduced and read first time: February 13, 2009

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 24, 2009

CHAPTER _____

1 AN ACT concerning

2 **Washington County – Property Tax ~~Deferral~~ – Seniors Relief**

3 FOR the purpose of authorizing the governing body of Washington County or the
4 governing body of a municipal corporation in Washington County to grant, by
5 law, a tax credit against the county or municipal corporation property tax
6 imposed on certain real property under certain circumstances; authorizing the
7 county or municipal corporation to provide, by law, for the amount of the credit
8 and certain other provisions to carry out the credit; authorizing the governing
9 body of Washington County to provide, by law, a certain payment deferral of the
10 county property tax for certain residential real property owned by individuals
11 who are at least 65 years of age; requiring the governing body of Washington
12 County under certain circumstances to specify the duration and certain
13 amounts, restrictions, and income eligibility requirements for the payment
14 deferral; requiring the payment of certain deferred property taxes under certain
15 circumstances; requiring the governing body of Washington County under
16 certain circumstances to provide certain information in a taxpayer's annual
17 property tax bill; requiring that a payment deferral be authorized by a certain
18 written agreement to be recorded in certain land records; providing for a certain
19 lien attachment under certain circumstances; requiring the governing body of
20 Washington County to provide certain notification under certain circumstances;
21 providing for the application of this Act; providing for the termination of certain
22 provisions of this Act; and generally relating to property tax ~~deferrals~~ relief in
23 Washington County for certain residential real property.

24 BY adding to

25 Article – Tax – Property

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 Section 9-323(f) and 10-204.5
2 Annotated Code of Maryland
3 (2007 Replacement Volume and 2008 Supplement)

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

6 **Article - Tax - Property**

7 **9-323.**

8 **(F) (1) IN THIS SUBSECTION, "TAXABLE ASSESSMENT" MEANS THE**
9 **ASSESSMENT ON WHICH THE COUNTY PROPERTY TAX RATE WAS IMPOSED IN**
10 **THE PRECEDING TAXABLE YEAR, ADJUSTED BY THE PHASED-IN ASSESSMENT**
11 **INCREASE RESULTING FROM A REVALUATION UNDER § 8-104(C)(1)(III) OF THIS**
12 **ARTICLE, LESS THE AMOUNT OF ANY ASSESSMENT ON WHICH A PROPERTY TAX**
13 **CREDIT UNDER THIS SUBSECTION IS GRANTED.**

14 **(2) THE GOVERNING BODY OF WASHINGTON COUNTY OR THE**
15 **GOVERNING BODY OF A MUNICIPAL CORPORATION IN WASHINGTON COUNTY**
16 **MAY GRANT, BY LAW, A TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL**
17 **CORPORATION PROPERTY TAX IMPOSED ON RESIDENTIAL REAL PROPERTY:**

18 **(I) THAT IS NOT A DWELLING AS DEFINED IN § 9-105 OF**
19 **THIS TITLE; AND**

20 **(II) FOR WHICH THE CURRENT YEAR'S TAXABLE**
21 **ASSESSMENT EXCEEDS THE PRIOR YEAR'S TAXABLE ASSESSMENT BY MORE**
22 **THAN THE APPLICABLE CREDIT PERCENTAGE ESTABLISHED BY THE**
23 **GOVERNING BODY UNDER PARAGRAPH (3) OF THIS SUBSECTION.**

24 **(3) THE GOVERNING BODY OF WASHINGTON COUNTY OR THE**
25 **GOVERNING BODY OF A MUNICIPAL CORPORATION IN WASHINGTON COUNTY**
26 **MAY PROVIDE, BY LAW, FOR:**

27 **(I) THE APPLICABLE CREDIT PERCENTAGE FOR PURPOSES**
28 **OF PARAGRAPH (2)(II) OF THIS SUBSECTION;**

29 **(II) THE AMOUNT OF THE TAX CREDIT UNDER THIS**
30 **SUBSECTION;**

31 **(III) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX**
32 **CREDIT UNDER THIS SUBSECTION;**

1 PROPERTY MAY NOT BE LESS THAN THE DWELLING AND CURTILAGE, AS
2 DETERMINED BY THE SUPERVISOR;

3 (4) THE RATE OF INTEREST, NOT EXCEEDING AN ANNUAL RATE
4 OF 3%, TO BE PAID ON THE COUNTY PROPERTY TAX PAYMENT FROM THE DUE
5 DATE WITHOUT A DEFERRAL UNTIL THE DATE THAT THE COUNTY PROPERTY
6 TAX IS PAID;

7 (5) THAT ANY MORTGAGEE OR BENEFICIARY UNDER A DEED OF
8 TRUST BE ENTITLED TO RECEIVE NOTICE OF THE DEFERRAL AND OF THE
9 AMOUNT OF TAX TO BE DEFERRED; AND

10 (6) THE LEVEL OF INCOME TO DETERMINE ELIGIBILITY FOR THE
11 PAYMENT DEFERRAL.

12 (D) THE COUNTY PROPERTY TAX THAT IS DEFERRED UNDER THIS
13 SECTION AND ANY INTEREST SPECIFIED IN SUBSECTION (C)(4) OF THIS SECTION
14 ARE DUE:

15 (1) WHEN THE DEFERRAL ENDS AS SPECIFIED IN SUBSECTION
16 (C)(2) OF THIS SECTION;

17 (2) WHEN THE ELIGIBLE OWNER DIES; OR

18 (3) IMMEDIATELY ON TRANSFER OF OWNERSHIP OF THE
19 PROPERTY FOR WHICH THE PROPERTY TAX HAS BEEN DEFERRED.

20 (E) THE GOVERNING BODY OF WASHINGTON COUNTY SHALL SPECIFY
21 THE CUMULATIVE AMOUNT OF THE DEFERRAL AND RELATED INTEREST IN THE
22 TAXPAYER'S ANNUAL PROPERTY TAX BILL.

23 (F) (1) A LIEN SHALL ATTACH TO THE PROPERTY IN THE AMOUNT OF
24 ALL DEFERRED TAXES AND INTEREST.

25 (2) THE LIEN SHALL REMAIN ATTACHED UNTIL THE DEFERRED
26 TAXES AND INTEREST ARE PAID.

27 (G) (1) THE GOVERNING BODY OF WASHINGTON COUNTY SHALL
28 AUTHORIZE THE DEFERRAL BY WRITTEN AGREEMENT.

29 (2) THE AGREEMENT SHALL REFLECT THE TERMS AND
30 CONDITIONS OF THE DEFERRAL, INCLUDING NOTICE OF THE LIEN.

31 (3) THE AGREEMENT SHALL BE RECORDED IN THE LAND
32 RECORDS OF THE COUNTY.

1 (H) PENALTIES MAY NOT BE CHARGED DURING THE PERIOD OF THE
2 DEFERRAL ON ANY TAX PAYMENTS DEFERRED UNDER THIS SECTION.

3 (I) IN EACH ANNUAL PROPERTY TAX BILL, THE GOVERNING BODY OF
4 WASHINGTON COUNTY SHALL PROVIDE NOTICE OF, AND SPECIFY THE DETAILS
5 OF ELIGIBILITY FOR, A PAYMENT DEFERRAL UNDER THIS SECTION.

6 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
7 be applicable to all taxable years beginning after June 30, 2009, but before July 1,
8 2012. Section 1 of this Act shall remain effective for a period of 3 years and 1 month
9 and, at the end of June 30, 2012, with no further action required by the General
10 Assembly, Section 1 of this Act shall be abrogated and of no further force and effect.

11 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act
12 shall ~~take effect June 1, 2009, and shall~~ be applicable to all taxable years beginning
13 after June 30, 2009.

14 SECTION 5. AND BE IT FURTHER ENACTED, That, subject to Sections 3 and
15 4 of this Act, this Act shall take effect June 1, 2009.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.