

HOUSE BILL 1575

Q6, N1

EMERGENCY BILL

9lr3490

By: **Delegates Impallaria, James, Jennings, McComas, Norman, and Stifler**

Rules suspended

Introduced and read first time: March 23, 2009

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Transfer Tax – First–Time Maryland Home Buyer**

3 FOR the purpose of clarifying that an individual is eligible for the first–time Maryland
4 home buyer transfer tax exemption if the individual has never owned real
5 property in Maryland that has been the individual’s principal residence; making
6 this Act an emergency measure; and generally relating to a transfer tax
7 exemption for certain first–time Maryland home buyers.

8 BY repealing and reenacting, without amendments,
9 Article – Tax – Property
10 Section 1–101(a) and (hh)
11 Annotated Code of Maryland
12 (2007 Replacement Volume and 2008 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Tax – Property
15 Section 13–203(b)
16 Annotated Code of Maryland
17 (2007 Replacement Volume and 2008 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Real Property
20 Section 14–104(a)
21 Annotated Code of Maryland
22 (2003 Replacement Volume and 2008 Supplement)

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

25 **Article – Tax – Property**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 1–101.

2 (a) In this article the following words have the meanings indicated.

3 (hh) “State” means:

4 (1) a state, possession, or territory of the United States;

5 (2) the District of Columbia; or

6 (3) the Commonwealth of Puerto Rico.

7 13–203.

8 (b) (1) In this subsection, “first–time Maryland home buyer” means an
9 individual who has never owned [in the State] residential real property IN
10 **MARYLAND** that has been the individual’s principal residence.

11 (2) If there are two or more grantees, this subsection does not apply
12 unless each grantee is a first–time Maryland home buyer or a co–maker or guarantor
13 of a purchase money mortgage or purchase money deed of trust as defined in §
14 12–108(i) of this article for the property and the co–maker or guarantor will not occupy
15 the residence as the co–maker’s or guarantor’s principal residence.

16 (3) Notwithstanding any other provision of law, for a sale of improved
17 residential real property to a first–time Maryland home buyer who will occupy the
18 property as a principal residence, the rate of the transfer tax is 0.25% of the
19 consideration payable for the instrument of writing and the transfer tax shall be paid
20 entirely by the seller.

21 (4) To qualify for the exemption under paragraph (3) of this
22 subsection, each grantee or an agent of the grantee shall provide a statement that is
23 signed under oath by the grantee or agent of the grantee stating that:

24 (i) 1. the grantee is an individual who has never owned [in
25 the State] residential real property IN **MARYLAND** that has been the individual’s
26 principal residence; and

27 2. the residence will be occupied by the grantee as the
28 grantee’s principal residence; or

29 (ii) 1. the grantee is a co–maker or guarantor of a purchase
30 money mortgage or purchase money deed of trust as defined in § 12–108(i) of this
31 article for the property; and

1 2. the grantee will not occupy the residence as the
2 co-maker's or guarantor's principal residence.

3 (5) A statement under paragraph (4) of this subsection by an agent of
4 a grantee shall state that the statement:

5 (i) is based on a diligent inquiry made by the agent with
6 respect to the facts set forth in the statement; and

7 (ii) is true to the best of the knowledge, information, and belief
8 of the agent.

9 **Article - Real Property**

10 14-104.

11 (a) In this section, "first-time Maryland home buyer" means an individual
12 who has never owned [in the State] residential real property **IN MARYLAND** that has
13 been the individual's principal residence.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
15 measure, is necessary for the immediate preservation of the public health or safety,
16 has been passed by a ye and nay vote supported by three-fifths of all the members
17 elected to each of the two Houses of the General Assembly, and shall take effect from
18 the date it is enacted.