

SENATE BILL 88

Q1

9lr0123

(PRE-FILED)

By: **Chair, Budget and Taxation Committee (By Request - Departmental - Assessments and Taxation)**

Requested: October 6, 2008

Introduced and read first time: January 14, 2009

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Tax - Property - Exempt Manufacturing Personal Property Application**
3 **Deadline**

4 FOR the purpose of providing that a property tax exemption for certain manufacturing
5 personal property shall be granted for a certain taxable year under certain
6 circumstances if the owner files a certain application within a certain period
7 after the date of the first assessment notice that includes the manufacturing
8 personal property; providing for the application of this Act; and generally
9 relating to applications for property tax exemptions for certain manufacturing
10 personal property.

11 BY repealing and reenacting, with amendments,
12 Article - Tax - Property
13 Section 7-104 and 11-103
14 Annotated Code of Maryland
15 (2007 Replacement Volume and 2008 Supplement)

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

18 **Article - Tax - Property**

19 7-104.

20 (a) Except as provided in subsection (c) of this section and in §§ 7-202 and
21 7-215 of this title, property tax on wholly exempt property shall be abated for the
22 taxable year that follows the date on which the property became exempt.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) If an owner of property subject to an exemption on June 30 files an
2 application for abatement on or before the following September 1 with the Department
3 or the supervisor, the tax is abated for the taxable year.

4 (c) If property that is exempt from property tax is transferred to a person
5 whose use of the property qualifies the property for an exemption from the date of
6 transfer, then the property tax shall be abated from that date if the transferee:

7 (1) files an application under § 7-103 of this subtitle on or before
8 September 1 of the following taxable year; or

9 (2) files an application under § 7-225 of this title within 6 months
10 after receipt of the first assessment notice which includes the manufacturing personal
11 property that is issued after the date of the transfer.

12 **(D) IF THE OWNER OF MANUFACTURING PERSONAL PROPERTY ON**
13 **JANUARY 1 FILES AN APPLICATION UNDER § 7-225 OF THIS TITLE WITHIN 6**
14 **MONTHS AFTER THE DATE OF THE FIRST ASSESSMENT NOTICE FOR A TAXABLE**
15 **YEAR THAT INCLUDES THE MANUFACTURING PERSONAL PROPERTY AND THE**
16 **APPLICATION IS APPROVED, THE EXEMPTION SHALL BE GRANTED FOR THAT**
17 **TAXABLE YEAR THAT APPEARS ON THE ASSESSMENT NOTICE.**

18 11-103.

19 (a) If a person who has filed a report under this title determines that
20 information was not reported accurately, the person may file an amended report
21 within 3 years after the April 15th that the original report was due.

22 (b) A person filing an amended report under subsection (a) of this section
23 may only claim an exemption for personal property used in manufacturing if an
24 exemption for personal property used in the manufacturing process was previously
25 approved for that taxable year under §§ 7-104(b) and 7-225(d) [or], under §§ 7-104(c)
26 and 7-225(d), **OR UNDER §§ 7-104(D) AND 7-225(D)** of this article.

27 (c) After reviewing an amended report, the Department shall:

28 (1) issue a corrected assessment notice; or

29 (2) notify the person that the original assessment notice will not be
30 adjusted.

31 (d) A person who receives a notice under subsection (c) of this section may
32 appeal the change in value or classification related to the corrected information or the
33 denial notice as provided in § 14-504 of this article.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2009, and shall be applicable to all taxable years beginning after June 30,
3 2009.