

SENATE BILL 724

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By: **Senators Glassman and Peters**

Introduced and read first time: February 10, 2010

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Taxes – Assessments and Appeals – Expansion of Property Owner’s**
3 **Bill of Rights**

4 FOR the purpose of requiring the State Department of Assessments and Taxation to
5 hold certain public education sessions; requiring certain valuation records to be
6 included with certain notices; altering the circumstances under which the
7 Department provides copies of certain assessment worksheets and cards;
8 increasing the number of days in which a notice of assessment may be appealed;
9 requiring that certain information be available before a hearing on notice of
10 property assessment made by a supervisor under certain circumstances;
11 providing that the value or classification in the notice of assessment may be
12 appealed to property tax assessment appeal boards in counties other than
13 where the property is located under certain circumstances; providing that the
14 taxpayer may record certain property tax assessment appeal hearings under
15 certain circumstances; providing that the taxpayer may be heard, present
16 evidence, and cross-examine witnesses at certain property tax assessment
17 appeal hearings within certain time limitations; requiring that a physical
18 inspection of certain property must occur under certain circumstances;
19 requiring the property tax assessment appeal boards to consider certain
20 information in determining the value of property on appeal; altering and adding
21 certain rights of taxpayers in the Property Owner’s Bill of Rights; requiring the
22 State Department of Assessments and Taxation to submit a certain report by a
23 certain date; and generally relating to certain property tax assessments and
24 appeals.

25 BY repealing and reenacting, with amendments,
26 Article – Tax – Property
27 Section 1–402, 2–202, 8–401, 14–201(c), 14–502, 14–509(a) and 14–510
28 Annotated Code of Maryland
29 (2007 Replacement Volume and 2009 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Tax – Property
3 Section 14–511(c)
4 Annotated Code of Maryland
5 (2007 Replacement Volume and 2009 Supplement)

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

8 **Article – Tax – Property**

9 1–402.

10 Property owners in this State have the following rights:

11 (1) (i) the right to an assessment notice upon reassessment, as
12 provided in § 8–401 of this article, that clearly explains:

13 1. the property owner’s right to appeal an assessment;

14 2. that the determination of value is based upon
15 information contained in the valuation records of the Department; and

16 3. the property owner’s right of access to the valuation
17 records of the Department; and

18 (ii) the right to receive information concerning the calculation of
19 the assessment and description of the property on the Department’s website;

20 (2) the right to obtain, at no charge:

21 (i) a brochure explaining the valuation and assessment process;

22 (ii) the record card and assessment work sheet for the property
23 that is the subject of an assessment; and

24 (iii) a brochure explaining the record card and assessment work
25 sheet, their pertinent parts, and an example and definition of commonly used
26 appraisal terms;

27 (3) the right of access to the property assessment roll;

28 (4) the right to appeal an assessment within [45] 180 days of the
29 notice of assessment, as provided in § 14–502 of this article, and to assist in an appeal,
30 to obtain:

1 (i) at no charge, a brochure explaining the assessment appeal
2 process;

3 (ii) at no charge, a copy of the sales analysis for the area in
4 which the property is located; and

5 (iii) for a reasonable fee, copies of record cards and assessment
6 work sheets for other similar properties, as provided in § 14–201 of this article;

7 (5) the right to be provided with an alternate site or an evening or
8 Saturday assessment appeal hearing, as provided in § 8–412 of this article;

9 (6) the right to an assessment appeal hearing conducted by telephone,
10 in accordance with the standards and procedures of the Department;

11 (7) the right to postponement of an assessment appeal hearing one
12 time without cause at the property owner's request, and additional postponements
13 only for good cause;

14 (8) during an appeal hearing, the right to a review and explanation by
15 the assessor of the items and values shown on the assessment work sheet and record
16 card;

17 **(9) DURING AN APPEAL HEARING, THE RIGHT TO RECORD THE**
18 **HEARING AT THE PROPERTY OWNER'S EXPENSE;**

19 **(10) DURING AN APPEAL HEARING, THE RIGHT TO BE HEARD,**
20 **PRESENT EVIDENCE, AND CROSS-EXAMINE WITNESSES FOR AT LEAST UP TO 90**
21 **MINUTES, BUT NOT MORE THAN 2 HOURS;**

22 **[(9)] (11)** after an appeal hearing, the right to:

23 (i) not have an assessment increased during the current 3-year
24 cycle because of information ascertained at an appeal hearing on residential property;
25 and

26 (ii) a reinspection of a property, upon request, to review updated
27 information revealed during an appeal hearing that could result in a decreased
28 assessment;

29 **[(10)] (12)** notwithstanding the failure to file an appeal within **[45] 180**
30 days, the right to require the Department to review and correct any mathematical,
31 clerical, measurement, or other technical errors used as the basis for an assessment,
32 as provided in § 8–419 of this article;

33 **[(11)] (13)** the right to file a petition for review within any year of the
34 3-year assessment cycle, as provided in § 8–415 of this article;

1 ~~[(12)]~~ **(14)** the right to the consideration of the facts and reasons stated
2 in a decision on an appeal from the Property Tax Appeal Board or the Maryland Tax
3 Court when the assessment of a property is next reviewed, as provided in § 8–205 of
4 this article; and

5 ~~[(13)]~~ **(15)** the right to be notified of the availability of State property
6 tax credits, including the homestead property tax credit, the homeowners property tax
7 credit, and the renters tax credit.

8 2–202.

9 In addition to the powers and duties set forth elsewhere, the Director has the
10 following powers and duties:

11 (1) to direct that the Department assess all property that is subject to
12 assessment under this article;

13 (2) to administer the assessment and tax laws of the State and of each
14 county and municipal corporation;

15 (3) to direct that the Department enter all taxable property on the
16 assessment rolls and, regardless of whether the property is owned by an individual,
17 corporation, or some other person, to value alike all property of a like kind;

18 (4) to set standards or units for assessing various kinds of property;

19 (5) subject to the approval of the Comptroller, to adopt a uniform
20 system of accounts to be used by all collectors of State taxes;

21 (6) to confer with appropriate county officials and to visit each county
22 as often as necessary;

23 (7) to direct that the Department require any person to provide
24 complete information as to that person's ownership of taxable property and to its
25 value;

26 (8) to direct that the Department investigate, on its own initiative, at
27 any time, any assessment on any property in the State;

28 (9) to confer, as appropriate, with the Governor, Comptroller, and
29 Treasurer;

30 (10) subject to § 2–1246 of the State Government Article, to submit to
31 the General Assembly an annual report and any legislation that the Department may
32 recommend for enactment;

1 (11) to direct that the Department participate in any Maryland Tax
2 Court or judicial proceeding that involves an assessment or tax;

3 (12) to direct that the Department provide for annual surveys,
4 conducted in the manner required by the Director, to determine the assessment ratios
5 in each county; [and]

6 (13) to direct that the Department supply all public branch libraries in
7 the State as soon after issuance as possible with 1 or more copies of the most current
8 Maryland Assessment Manual, the Assessors' Administrative Procedures Manual, and
9 the annual supplements to the manuals; AND

10 (14) TO DIRECT THAT THE DEPARTMENT HOLD SEMIANNUAL
11 PUBLIC EDUCATION SESSIONS EXPLAINING THE ASSESSMENT AND APPEAL
12 PROCESSES.

13 8-401.

14 (a) When any change as provided in subsection (b) of this section occurs in
15 the value or classification of any real property that a supervisor assesses, the
16 supervisor shall notify the owner or other appropriate person by a written notice of the
17 proposed change.

18 (b) A written notice is required for:

19 (1) an increase or decrease in an existing real property value;

20 (2) a change in the classification of the real property;

21 (3) establishment of an initial real property value;

22 (4) a decision on an assessment appeal or a petition to change an
23 existing real property value or classification; and

24 (5) a revaluation or reclassification, if a valuation or classification has
25 been appealed but not finally determined.

26 (c) The notice for subsection (b)(1) of this section shall include:

27 (1) the amount of the current value;

28 (2) the amount of the proposed value including a statement that the
29 total amount of the proposed value is the value for purposes of appeal;

30 (3) the amount of the proposed value that will be the basis for the
31 assessment in each year of the 3-year cycle;

1 (4) a statement:

2 (i) indicating the right to appeal; and

3 (ii) briefly describing the appeal process and the property
4 owner's bill of rights; and

5 (5) [a statement that] **A COPY OF THE** valuation records [are
6 available as provided by § 14–201 of this article].

7 (d) In the instance of notices required in subsection (b)(2), (3), (4), and (5) of
8 this section, the notice shall include:

9 (1) the amount of the current value;

10 (2) the amount of the proposed or final value;

11 (3) the amount of the proposed value that is the basis for the
12 assessment in the applicable years of the 3–year cycle;

13 (4) a statement:

14 (i) indicating the right of appeal; and

15 (ii) briefly describing the appeal process and the property
16 owner's bill of rights; and

17 (5) [a statement that] **A COPY OF THE** valuation records [are
18 available as provided by § 14–201 of this article].

19 (e) The notice shall be served as provided by § 8–402 of this subtitle on or
20 before January 1 or any other date specified in this article.

21 (f) A failure to send a notice of any change in value or classification within
22 30 days after the date provided in subsection (e) of this section creates an irrebuttable
23 presumption that in the instances specified in subsection (b)(1) through (4) of this
24 section that the prior value has not changed unless:

25 (1) the property has been transferred for consideration to new
26 ownership during the previous calendar year;

27 (2) the zoning classification of the property changed during the
28 current triennial cycle or the previous calendar year, whichever is earlier, resulting in
29 an increased value of the property;

1 (3) a substantial change occurred in the use or character of the
2 property during the current triennial cycle or the previous calendar year, whichever is
3 earlier;

4 (4) extensive improvements have been made on the property during
5 the current triennial cycle or the previous calendar year, whichever is earlier, as
6 provided in § 8–104(c)(1)(iii) of this title;

7 (5) due to an error in calculating or measuring improvements on the
8 property the assessment for the previous taxable year was clearly erroneous; or

9 (6) the assessment has been decreased.

10 14–201.

11 (c) The Department shall provide a copy of assessment worksheets and cards
12 that relate to a real property valuation:

13 (1) to the person whose property is the subject of the valuation [if:

14 (i) the value or classification of the property is to be changed for
15 property tax purposes; and

16 (ii) the person requests the worksheets and cards]; or

17 (2) except for income and expense statements, to any person who pays
18 property tax, if the person:

19 (i) seeks the worksheets and cards for other comparable
20 property;

21 (ii) has a timely filed and pending appeal under Subtitle 5 of
22 this title regarding the assessment of the person's property;

23 (iii) identifies the comparable property by address; and

24 (iv) pays the reasonable fee that the Department requires for the
25 copy.

26 14–502.

27 (a) (1) Except as provided in paragraph (2) of this subsection and as
28 otherwise provided by § 14–503 of this subtitle, for property assessed by a supervisor,
29 any taxpayer, a county, a municipal corporation, or the Attorney General may submit
30 a written appeal to the supervisor as to a value or classification in a notice of
31 assessment on or before [45] 180 days from the date of the notice.

1 (2) If any real property is transferred after January 1 and before the
2 beginning of the next taxable year to a new owner, the new owner may submit a
3 written appeal as to a value or classification on or before 60 days after the date of the
4 transfer.

5 (3) The date of transfer of any real property under this section shall be
6 the effective date of the deed as described in § 3-201 of the Real Property Article.

7 (4) (i) If the date of recordation of the deed evidencing the transfer
8 is after June 30, the taxpayer must submit a copy of the executed deed evidencing the
9 date of transfer as a condition to maintaining its right to appeal under subsection
10 (a)(2) of this section.

11 (ii) If a copy of the executed deed is not presented at or before
12 the appeal hearing, the appeal may be dismissed by the supervisor.

13 (b) If the requirements of subsection (a) of this section are met, the
14 supervisor or the supervisor's designee shall hold a hearing as provided under §
15 14-510 of this subtitle.

16 **(C) (1) FOR A HEARING BEFORE THE SUPERVISOR OR THE**
17 **SUPERVISOR'S DESIGNEE, THE PERSON MAKING THE APPEAL MAY SUBMIT A**
18 **WRITTEN REQUEST TO THE SUPERVISOR, AT LEAST 15 DAYS BEFORE THE**
19 **HEARING, FOR A LIST OF OTHER PROPERTIES THAT WILL BE USED AS**
20 **COMPARABLES BY THE SUPERVISOR AT THE SCHEDULED HEARING.**

21 **(2) THE SUPERVISOR SHALL SUPPLY THE LIST:**

22 **(I) AT LEAST 30 DAYS BEFORE THE DATE THAT THE**
23 **HEARING HAS BEEN SCHEDULED FOR A WRITTEN REQUEST MADE AT LEAST 35**
24 **DAYS BEFORE THE HEARING; OR**

25 **(II) WITHIN 5 DAYS FROM THE REQUEST FOR A REQUEST**
26 **MADE BETWEEN 35 DAYS AND 15 DAYS BEFORE THE HEARING.**

27 **(3) THE LIST SHALL IDENTIFY THE LOCATION AND OWNER OF**
28 **EACH PROPERTY.**

29 **(4) IF THE SUPERVISOR WILL USE THE INFORMATION IN THE**
30 **APPEAL, THE LIST SHALL ALSO INCLUDE, FOR EACH PROPERTY ON THE LIST:**

31 **(I) THE SALE PRICE AND DATE OF SALE;**

32 **(II) THE ASSESSMENT AND THE YEAR OR YEARS TO WHICH**
33 **THE ASSESSMENT APPLIED; AND**

1 **(III) THE CONSTRUCTION COSTS AND THE DATE OF**
2 **CONSTRUCTION.**

3 **(5) THE DEPARTMENT MAY CHARGE A REASONABLE FEE FOR**
4 **COPIES OF THE INFORMATION SENT UNDER THIS SUBSECTION.**

5 14-509.

6 (a) (1) For property assessed by a supervisor, on or before 30 days from
7 the date of the notice, any taxpayer, a county, a municipal corporation, or the Attorney
8 General may appeal a value or classification in the notice of assessment under § 8-407
9 of this article to:

10 **(I) the property tax assessment appeal board where the**
11 **property is located; OR**

12 **(II) A PROPERTY TAX APPEAL BOARD IN ANOTHER COUNTY**
13 **IF EVIDENCE IS PRESENTED THAT A FAIR HEARING CANNOT BE OBTAINED AT**
14 **THE PROPERTY TAX ASSESSMENT APPEAL BOARD WHERE THE PROPERTY IS**
15 **LOCATED.**

16 (2) The property tax assessment appeal board may waive the 30-day
17 requirement under paragraph (1) of this subsection for a taxpayer on good cause
18 shown because of the physical inability of the taxpayer to meet the 30-day
19 requirement.

20 14-510.

21 (a) In this section, "hearing" means a hearing held on an appeal under §
22 14-502, § 14-503, § 14-504, or § 14-509 of this subtitle.

23 (b) **(1)** A hearing is informal and any party in interest may submit to the
24 Department, supervisor, or the property tax assessment appeal board any information
25 that bears on the appeal without regard to the technical rules of evidence.

26 **(2) THE TAXPAYER MAY RECORD THE HEARING AT THE**
27 **TAXPAYER'S EXPENSE.**

28 **(3) THE TIME IN WHICH THE TAXPAYER MAY BE HEARD, PRESENT**
29 **EVIDENCE, AND CROSS-EXAMINE WITNESSES AT THE HEARING MAY NOT BE**
30 **LIMITED TO LESS THAN 90 MINUTES, BUT MAY NOT EXCEED 2 HOURS.**

31 (c) If a person submits a request that meets the requirements of § 14-507 of
32 this subtitle, the supervisor's or the board's action or refusal to act does not operate

1 against the person until a statement of the order in the action or refusal to act is
2 mailed to the address specified by the person.

3 14-511.

4 **(C) (1) FOR A HEARING BEFORE A PROPERTY TAX ASSESSMENT**
5 **APPEAL BOARD, IF A PHYSICAL INSPECTION OF THE PROPERTY HAS NOT**
6 **OCCURRED AS REQUIRED UNDER § 8-104 OF THIS ARTICLE, THE PERSON**
7 **MAKING THE APPEAL MAY SUBMIT A WRITTEN REQUEST THAT THE**
8 **DEPARTMENT OR SUPERVISOR PERFORM A PHYSICAL INSPECTION.**

9 **(2) IF A REQUEST IS MADE UNDER THIS SUBSECTION, THE**
10 **DEPARTMENT OR SUPERVISOR SHALL PERFORM A PHYSICAL INSPECTION OF**
11 **THE PROPERTY AT LEAST 30 DAYS BEFORE THE HEARING.**

12 **(3) IN DETERMINING THE VALUE OF THE PROPERTY ON APPEAL,**
13 **THE PROPERTY TAX ASSESSMENT APPEAL BOARD SHALL CONSIDER ANY**
14 **DIFFERENCE IN THE VALUE OF THE PROPERTY AS THE RESULT OF A PHYSICAL**
15 **INSPECTION MADE UNDER THIS SUBSECTION.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December
17 31, 2010, the State Department of Assessments and Taxation shall report to the
18 General Assembly, in accordance with § 2-1246 of the State Government Article, on
19 the feasibility of providing electronic access to assessment worksheets on the
20 Department's website.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2010.