

## **Chapter 162**

**(Senate Bill 32)**

AN ACT concerning

### **Anne Arundel County – Property Tax Payment Deferral – Eligibility**

FOR the purpose of authorizing the governing body of Anne Arundel County to provide, by law, a certain payment deferral of the county property tax for certain residential real property; requiring the governing body of Anne Arundel County under certain circumstances to specify the duration and certain amounts, restrictions, and income eligibility requirements for the payment deferral; requiring the payment of certain deferred property taxes under certain circumstances; requiring the governing body of Anne Arundel County under certain circumstances to provide certain information in a taxpayer's annual property tax bill; requiring that a payment deferral be authorized by a certain written agreement to be recorded in certain land records; providing for a certain lien attachment under certain circumstances; providing for the application of this Act; and generally relating to property tax deferrals in Anne Arundel County for certain residential real property.

BY adding to

Article – Tax – Property

Section 10–204.6

Annotated Code of Maryland

(2007 Replacement Volume and 2011 Supplement)

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

#### **Article – Tax – Property**

#### **10–204.6.**

**(A) NOTWITHSTANDING SUBTITLE 1 OF THIS TITLE, THE GOVERNING BODY OF ANNE ARUNDEL COUNTY MAY AUTHORIZE, BY LAW, A PAYMENT DEFERRAL OF THE COUNTY PROPERTY TAX FOR RESIDENTIAL REAL PROPERTY OCCUPIED AS THE PRINCIPAL RESIDENCE OF THE OWNER, THE PROVISIONS OF WHICH SHALL COMPLY WITH THE PROVISIONS OF SUBSECTIONS (B) THROUGH (H) OF THIS SECTION.**

**(B) AN OWNER IS ELIGIBLE FOR A PAYMENT DEFERRAL UNDER SUBSECTION (A) OF THIS SECTION IF THE OWNER OR AT LEAST ONE OF THE OWNERS:**

**(1) HAS RESIDED IN THE DWELLING FOR A PERIOD OF AT LEAST 5 CONSECUTIVE YEARS;**

**(2) (I) IS AT LEAST 62 YEARS OF AGE;**

**(II) HAS BEEN FOUND PERMANENTLY AND TOTALLY DISABLED AND HAS QUALIFIED FOR BENEFITS UNDER:**

- 1. THE SOCIAL SECURITY ACT;**
- 2. THE RAILROAD RETIREMENT ACT;**
- 3. ANY FEDERAL ACT FOR MEMBERS OF THE UNITED STATES ARMED FORCES; OR**

**4. ANY FEDERAL RETIREMENT SYSTEM; OR**

**(III) HAS BEEN FOUND PERMANENTLY AND TOTALLY DISABLED BY A COUNTY HEALTH OFFICER OR THE BALTIMORE CITY COMMISSIONER OF HEALTH; AND**

**(3) MEETS THE INCOME ELIGIBILITY REQUIREMENTS DETERMINED UNDER SUBSECTION (C) OF THIS SECTION.**

**(C) IF THE GOVERNING BODY OF ANNE ARUNDEL COUNTY AUTHORIZES A PAYMENT DEFERRAL UNDER THIS SECTION, THE GOVERNING BODY SHALL SPECIFY:**

**(1) THE AMOUNT OF THE TAX THAT MAY BE DEFERRED, NOT EXCEEDING THE INCREASE IN THE COUNTY PROPERTY TAX FROM THE DATE THE TAXPAYER ELECTS TO DEFER THE PAYMENT OF THE TAX;**

**(2) THE DURATION OF THE PAYMENT DEFERRAL UNDER SUBSECTION (A) OF THIS SECTION;**

**(3) RESTRICTIONS ON THE AMOUNT OF THE REAL PROPERTY ELIGIBLE FOR A PAYMENT DEFERRAL, EXCEPT THAT THE AMOUNT OF ELIGIBLE**

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

(4) THE RATE OF INTEREST TO BE PAID ON THE COUNTY PROPERTY TAX PAYMENT FROM THE DUE DATE WITHOUT A DEFERRAL UNTIL THE DATE THAT THE COUNTY PROPERTY TAX IS PAID;

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

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

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

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

(2) WHEN THE ELIGIBLE OWNER DIES; OR

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

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

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

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

(G) (1) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY SHALL AUTHORIZE THE DEFERRAL BY WRITTEN AGREEMENT.

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2012, and shall be applicable to all taxable years beginning after June 30, 2012.

**Approved by the Governor, May 2, 2012.**