

SENATE BILL 274

Q1

2lr1515
CF HB 268

By: **Senators Hayes, Elfreth, Hershey, Hester, and Ready**

Introduced and read first time: January 18, 2022

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 10, 2022

CHAPTER _____

1 AN ACT concerning

2 **Property Tax – Exemptions for Business Personal Property – Alterations**

3 FOR the purpose of altering eligibility for exemptions from the personal property tax for
4 personal property of a home business or ~~valued~~ personal property with a total
5 original cost below a certain amount; prohibiting the State Department of
6 Assessments and Taxation, under certain circumstances, from collecting certain
7 information or requiring the submission of a personal property tax return from
8 certain businesses that qualify for certain personal property tax exemptions; and
9 generally relating to the personal property tax.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – Property
12 Section 7–227 and 7–245
13 Annotated Code of Maryland
14 (2019 Replacement Volume and 2021 Supplement)

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

17 **Article – Tax – Property**

18 7–227.

19 (a) Except for personal property used in connection with a business, occupation,
20 or profession, personal property owned by an individual and located at the individual's

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 place of residence is not subject to valuation or to property tax.

2 (b) Notwithstanding subsection (a) of this section, personal property is not subject
3 to valuation or to property tax if the personal property is:

4 (1) owned by an individual;

5 (2) located at the individual's place of residence; and

6 (3) used in connection with a family child care home that is registered
7 under Title 5, Subtitle 5, Part V of the Family Law Article.

8 (c) **(1)** Notwithstanding subsection (a) of this section, personal property is not
9 subject to valuation or to property tax if:

10 **[(1)] (I)** the personal property is owned by an individual and is used in
11 connection with a business, occupation, or profession that is located at the individual's
12 principal residence; and

13 **[(2)] (II)** the sum total of the personal property, excluding vehicles exempt
14 under § 7-230 of this subtitle, ~~had a total original cost~~ ~~HAS A VALUE~~ of less than
15 ~~[\$10,000]~~ **\$20,000**.

16 **(2) IF THE INDIVIDUAL ATTESTS TO OWNING A SUM TOTAL OF**
17 **PERSONAL PROPERTY WITH AN ORIGINAL COST OF LESS THAN \$20,000 ~~IN PERSONAL~~**
18 **~~PROPERTY~~, THE DEPARTMENT MAY NOT:**

19 **(I) COLLECT PERSONAL PROPERTY INFORMATION FROM THE**
20 **INDIVIDUAL; OR**

21 **(II) REQUIRE THE INDIVIDUAL TO SUBMIT A PERSONAL**
22 **PROPERTY TAX RETURN.**

23 7-245.

24 **(A)** A person's personal property is not subject to valuation or to property tax if
25 all of the person's personal property statewide ~~had a total original cost~~ ~~HAS A VALUE~~
26 less than ~~[\$2,500]~~ **\$20,000**.

27 **(B) IF THE PERSON ATTESTS TO OWNING A SUM TOTAL OF PERSONAL**
28 **PROPERTY WITH AN ORIGINAL COST OF LESS THAN \$20,000 ~~IN PERSONAL~~**
29 **~~PROPERTY STATEWIDE~~, THE DEPARTMENT MAY NOT:**

30 **(1) COLLECT PERSONAL PROPERTY INFORMATION FROM THE**
31 **PERSON; OR**

1 **(2) REQUIRE THE PERSON TO SUBMIT A PERSONAL PROPERTY TAX**
2 **RETURN.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
4 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.