

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

A BILL ENTITLED

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 below a certain amount; prohibiting
5 the State Department of Assessments and Taxation, under certain circumstances,
6 from collecting certain information or requiring the submission of a personal
7 property tax return from certain businesses that qualify for certain personal
8 property tax exemptions; and generally relating to the personal property tax.

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

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

16 **Article – Tax – Property**

17 7–227.

18 (a) Except for personal property used in connection with a business, occupation,
19 or profession, personal property owned by an individual and located at the individual's
20 place of residence is not subject to valuation or to property tax.

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

23 (1) owned by an individual;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

9 [(2)] (II) the sum total of the personal property, excluding vehicles exempt
10 under § 7-230 of this subtitle, [had a total original cost] HAS A VALUE of less than
11 [\$10,000] **\$20,000**.

12 (2) IF THE INDIVIDUAL ATTESTS TO OWNING A SUM TOTAL OF LESS
13 THAN **\$20,000** IN PERSONAL PROPERTY, THE DEPARTMENT MAY NOT:

14 (I) COLLECT PERSONAL PROPERTY INFORMATION FROM THE
15 INDIVIDUAL; OR

16 (II) REQUIRE THE INDIVIDUAL TO SUBMIT A PERSONAL
17 PROPERTY TAX RETURN.

18 7-245.

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

22 (B) IF THE PERSON ATTESTS TO OWNING A TOTAL OF LESS THAN **\$20,000** IN
23 PERSONAL PROPERTY STATEWIDE, THE DEPARTMENT MAY NOT:

24 (1) COLLECT PERSONAL PROPERTY INFORMATION FROM THE
25 PERSON; OR

26 (2) REQUIRE THE PERSON TO SUBMIT A PERSONAL PROPERTY TAX
27 RETURN.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
29 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.