By: Senator Hayes  
Introduced and read first time: February 7, 2022  
Assigned to: Budget and Taxation  
Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 12, 2022

CHAPTER _____

AN ACT concerning

Property Tax Exemption – Religious Group or Organization – Third-Party Leases

FOR the purpose of providing that real property owned by a religious group or organization that is leased to a third party does not qualify for a certain property tax exemption; and generally relating to an exemption from the property tax for property owned by a religious group or organization.

BY repealing and reenacting, with amendments,  
Article – Tax – Property  
Section 7–204  
Annotated Code of Maryland  
(2019 Replacement Volume and 2021 Supplement)

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

Article – Tax – Property

7–204.

(A) Subject to SUBSECTION (B) OF THIS SECTION AND § 7–204.1 of this subtitle, property that is owned by a religious group or organization is not subject to property tax if the property is actually used exclusively for:

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) public religious worship;
(2) a parsonage or convent; or
(3) educational purposes.

(B) (1) Real property owned by a religious group or organization that is leased to a third party does not qualify for the exemption under this section.

(2) If only part of the real property is leased to a third party, only that part so leased does not qualify for the exemption under this section.

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.