

Chapter 645

(Senate Bill 247)

AN ACT concerning

State Department of Assessments and Taxation – Real Property Assessments and Appeals

FOR the purpose of requiring the State Department of Assessments and Taxation to publish on the Department's website certain information relating to the assessment process and methodology used by the Department in determining the value of real property; ~~altering the minimum value of property improvements required for a certain revaluation of the property by the Department during a certain 3-year cycle;~~ allowing certain authorities authorized to hear property tax appeals to consider certain criteria when hearing an appeal that relates to the valuation of real property; requiring the Department appeal authority to notify, within a certain number of days after a certain decision of an the appeal authority regarding commercial real property, the governing body of a county and municipal corporation in which the property is located; and generally relating to the State Department of Assessments and Taxation, property assessments, and appeals.

BY adding to

Article – Tax – Property

Section 2–218.2

Annotated Code of Maryland

(2019 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section ~~8–104(e)(1) and~~ 14–516

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**2–218.2.**

THE DEPARTMENT SHALL PUBLISH ON THE DEPARTMENT'S WEBSITE A PLAIN LANGUAGE DESCRIPTION OF THE FOLLOWING:

(1) THE METHODOLOGY APPLIED IN THE VALUATION AND ASSESSMENT PROCESS;

(2) ANY ADJUSTMENTS IN VALUE THAT AN ASSESSOR IS AUTHORIZED TO MAKE;

(3) THE CRITERIA USED TO DETERMINE THE DEPRECIATION VALUE OF REAL PROPERTY;

(4) THE CIRCUMSTANCES UNDER WHICH THE DEPARTMENT IS REQUIRED TO REVALUE REAL PROPERTY IN ANY YEAR OF A 3-YEAR CYCLE; AND

(5) ANY OTHER FACTORS RELEVANT TO THE VALUATION OF REAL PROPERTY BY THE DEPARTMENT.

~~§ 104.~~

~~(e) (1) In any year of a 3-year cycle, real property shall be revalued if any of the factors listed below causes a change in the value of the real property:~~

~~(i) the zoning classification is changed at the initiative of the owner or anyone having an interest in the property;~~

~~(ii) a change in use or character occurs;~~

~~(iii) substantially completed improvements OR RENOVATIONS are made which add at least ~~[\$100,000] \$50,000~~ in value to the property;~~

~~(iv) an error in calculation or measurement of the real property caused the value to be erroneous;~~

~~(v) a residential use assessment is terminated pursuant to § 8-226 of this title; or~~

~~(vi) a subdivision occurs. For purposes of this subsection, “subdivision” means the division of real property into 2 or more parcels by subdivision plat, condominium plat, time share, metes and bounds, or other means.~~

14-516.

(a) In this section, “appeal authority” includes:

(1) a supervisor;

(2) the Department;

(3) a property tax assessment appeal board;

- (4) the Maryland Tax Court; and
- (5) any other court authorized to hear property tax appeals under this subtitle.

(B) IN HEARING AN APPEAL UNDER THIS SUBTITLE THAT RELATES TO THE VALUE OF REAL PROPERTY, AN APPEAL AUTHORITY MAY CONSIDER THE FOLLOWING CRITERIA IN MAKING ITS FINAL DECISION:

- (1) THE FAIR MARKET VALUE OF THE REAL PROPERTY;**
- (2) THE VALUATION AND ASSESSMENT METHODOLOGY EMPLOYED BY THE ASSESSOR;**
- (3) DEPRECIATION FACTORS; OR**
- (4) ~~THE ASSESSMENT VALUE OF COMPARABLE PROPERTIES; OR~~**
- (5) ANY OTHER CRITERIA RELATED TO THE VALUATION AND ASSESSMENT OF REAL PROPERTY.**

(C) (1) WITHIN 10 DAYS AFTER A DECISION BY AN APPEAL AUTHORITY THAT REDUCES THE VALUE OF COMMERCIAL REAL PROPERTY BY MORE THAN 20%, THE ~~DEPARTMENT~~ APPEAL AUTHORITY SHALL NOTIFY THE GOVERNING BODY OF THE COUNTY AND MUNICIPAL CORPORATION IN WHICH THE PROPERTY IS LOCATED OF THE DECISION.

(2) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SUBTITLE, WITHIN 90 DAYS AFTER RECEIVING NOTICE FROM THE ~~DEPARTMENT~~ APPEAL AUTHORITY UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE GOVERNING BODY OF THE COUNTY OR MUNICIPAL CORPORATION MAY APPEAL TO THE APPROPRIATE APPEAL AUTHORITY.

[(b)] ~~(D)~~ (1) Subject to paragraph (2) of this subsection, within 30 days after the Department provides notice to a tax collector to whom property tax was paid that an appeal authority has issued a decision that reduces the assessed value of property, the tax collector shall pay to the taxpayer a full refund of the excess tax paid.

(2) The notice required under paragraph (1) of this subsection shall include a list of all properties for which an appeal authority has calculated that a taxpayer is due a refund as a result of a decision by the appeal authority to reduce the assessed value of the property.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 29, 2022.