

# HOUSE BILL 450

Q1, Q2

3lr0761  
CF SB 116

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By: **Delegates J. Lewis and Harrison**

Introduced and read first time: January 30, 2023

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Municipal Corporation Business Personal Property Tax Rate –**  
3 **Alterations**

4 FOR the purpose of altering the municipal corporation tax rate applicable to business  
5 personal property and certain operating real property to be not more than a certain  
6 amount; applying the limitation on the municipal corporation tax rate to special  
7 rates prevailing in a taxing district or part of a municipal corporation; and generally  
8 relating to the taxation of business personal property.

9 BY repealing and reenacting, with amendments,  
10 Article – Tax – Property  
11 Section 6–303  
12 Annotated Code of Maryland  
13 (2019 Replacement Volume and 2022 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 6–303.

18 (a) (1) Except as provided in paragraph (2) of this subsection, in each year  
19 after the date of finality and before the following July 1, the governing body of each  
20 municipal corporation annually shall set the tax rate for the next taxable year on all  
21 assessments of property subject to municipal corporation property tax.

22 (2) If not otherwise prohibited by this article, the governing body of a  
23 municipal corporation may set special rates for any class of property that is subject to the  
24 municipal corporation property tax.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) The governing body of a municipal corporation may change a property tax rate  
2 that is fixed in its charter if:

3 (1) the rate causes a loss of revenue because of exemption of property that  
4 is subject to the tax rate; or

5 (2) a loss of revenue is caused by any special rate of municipal corporation  
6 property tax.

7 (c) (1) Unless otherwise provided by the governing body of the municipal  
8 corporation[:

9 (i)], there shall be a single municipal corporation property tax rate  
10 for all real property subject to municipal corporation property tax except for operating real  
11 property described in § 8–109(c) of this article[; and

12 (ii) the].

13 **(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT AFFECT A**  
14 **SPECIAL RATE PREVAILING IN A TAXING DISTRICT OR PART OF A MUNICIPAL**  
15 **CORPORATION.**

16 **(D) THE municipal tax rate applicable to personal property and the operating real**  
17 **property described in § 8–109(c) of this article [for taxable years beginning after June 30,**  
18 **2001] shall be NOT MORE THAN 2.5 times the SUM OF:**

19 **(1) THE AVERAGE MUNICIPAL CORPORATION PROPERTY TAX rate for**  
20 **real property IN THE RESPECTIVE COUNTY; AND**

21 **(2) THE COUNTY PROPERTY TAX RATE FOR REAL PROPERTY IN THE**  
22 **RESPECTIVE COUNTY.**

23 **[(2) Paragraph (1) of this subsection does not affect a special rate prevailing**  
24 **in a taxing district or part of a municipal corporation.]**

25 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June**  
26 **1, 2023, and shall be applicable to all taxable years beginning after June 30, 2023.**