

# HOUSE BILL 2

Q2

(4lr0817)

## *ENROLLED BILL*

— *Ways and Means/Budget and Taxation* —

Introduced by **Delegates Boyce, Clippinger, Conaway, and R. Lewis**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Baltimore City~~ **Property Taxes – Authority of Counties to Establish a Subclass**  
3 **and Set a Special Rate for Vacant and Abandoned Property**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the  
5 governing body of a county to establish, by law, a subclass of real property consisting  
6 of certain vacant and abandoned property and to set a special property tax rate for  
7 certain vacant and abandoned property; and generally relating to a special property  
8 tax rate for vacant and abandoned property.

9 BY adding to

10 Article – Tax – Property

11 Section 6–202.1

12 Annotated Code of Maryland

13 (2019 Replacement Volume and 2023 Supplement)

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#### 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.

*Italics indicate opposite chamber/conference committee amendments.*



1 BY repealing and reenacting, with amendments,  
 2 Article – Tax – Property  
 3 Section 6–302  
 4 Annotated Code of Maryland  
 5 (2019 Replacement Volume and 2023 Supplement)

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

8 **Article – Tax – Property**

9 **6–202.1.**

10 **THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING**  
 11 **BODY OF A COUNTY MAY ESTABLISH, BY LAW, A SUBCLASS OF REAL PROPERTY**  
 12 **CONSISTING OF VACANT LOTS OR IMPROVED PROPERTY CITED AS VACANT AND**  
 13 **UNFIT FOR HABITATION OR OTHER AUTHORIZED USE ON A HOUSING OR BUILDING**  
 14 **VIOLATION NOTICE.**

15 6–302.

16 (a) Except as otherwise provided in this section and after complying with § 6–305  
 17 of this subtitle, in each year after the date of finality and before the following July 1, the  
 18 Mayor and City Council of Baltimore City or the governing body of each county annually  
 19 shall set the tax rate for the next taxable year on all assessments of property subject to that  
 20 county’s property tax.

21 (b) (1) Except as provided in subsection (c) of this section[,] AND §§ 6–305 and  
 22 6–306 of this subtitle [and § 6–203 of this title]:

23 (i) there shall be a single county property tax rate for all real  
 24 property subject to county property tax except for operating real property described in §  
 25 8–109(c) of this article; and

26 (ii) the county tax rate applicable to personal property and the  
 27 operating real property described in § 8–109(c) of this article shall be no more than 2.5  
 28 times the rate for real property.

29 (2) Paragraph (1) of this subsection does not affect a special rate prevailing  
 30 in a taxing district or part of a county.

31 [(c) (1) Intangible personal property is subject to county property tax as  
 32 otherwise provided in this title at a rate set annually, if:

33 (i) the intangible personal property has paid interest or dividends  
 34 during the 12 months that precede the date of finality;

1 (ii) interest or dividends were withheld on the intangible personal  
2 property during the 12 months that precede the date of finality to avoid the tax under this  
3 subsection;

4 (iii) the intangible personal property consists of newly issued bonds,  
5 certificates of indebtedness, or evidences of debt on which interest is not in default; or

6 (iv) a stock dividend has been declared on the intangible personal  
7 property during the 12 months that precede the date of finality.

8 (2) The county tax rate for the intangible personal property is 30 cents for  
9 each \$100 of assessment.]

10 (c) **(1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**  
11 **GOVERNING BODY OF A COUNTY MAY SET A SPECIAL RATE FOR A VACANT LOT OR**  
12 **IMPROVED PROPERTY CITED AS VACANT AND UNFIT FOR HABITATION OR OTHER**  
13 **AUTHORIZED USE ON A HOUSING OR BUILDING VIOLATION NOTICE.**

14 **(2) ON OR BEFORE DECEMBER 1 EACH YEAR, THE MAYOR AND CITY**  
15 **COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY THAT**  
16 **ENACTS A SPECIAL RATE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL**  
17 **REPORT TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND,**  
18 **IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, TO THE**  
19 **GENERAL ASSEMBLY ON:**

20 **(I) THE SPECIAL RATE SET UNDER PARAGRAPH (1) OF THIS**  
21 **SUBSECTION;**

22 **(II) THE NUMBER OF PROPERTIES TO WHICH THE SPECIAL RATE**  
23 **APPLIES;**

24 **(III) THE REVENUE CHANGE RESULTING FROM THE SPECIAL**  
25 **RATE;**

26 **(IV) THE USE OF THE REVENUE FROM THE SPECIAL RATE; AND**

27 **(V) WHETHER PROPERTIES SUBJECT TO THE SPECIAL RATE ARE**  
28 **VIABLE FOR ADAPTIVE REUSE, AS DEFINED IN § 1-102 OF THE HOUSING AND**  
29 **COMMUNITY DEVELOPMENT ARTICLE, AND PLANS TO CONVERT VIABLE**  
30 **PROPERTIES.**

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
32 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.