Article - Tax - Property

§1–101.

(a) In this article the following words have the meanings indicated.

(b) "Assess" means:

(1) for real property, to determine the phased–in full cash value or use value to which the property tax rate may be applied; and

(2) for personal property, to determine the value to which the property tax rate may be applied.

(c) "Assessment" means:

(1) for real property, the phased–in full cash value or use value to which the property tax rate may be applied; and

(2) for personal property, the value to which the property tax rate may be applied.

(d) "Assessment roll" means the official listing of assessments of property required under § 2–202(3) of this article.

(e) "Collector" includes an officer of a county or municipal corporation who has a duty to collect or remit taxes.

(f) (1) "Corporation" includes an association or joint–stock company.

(2) "Corporation" does not include a common trust fund as defined in § 3–501(b) of the Financial Institutions Article.

(g) "County" means a county of the State and, unless expressly provided otherwise, Baltimore City.

(h) (1) "County property tax" means the tax on property that is authorized under §§ 6–202 and 10–102 through 10–105 of this article.

(2) "County property tax" does not include a tax imposed on property specifically benefited by local improvements.

(i) "Date of finality" means January 1, when assessments become final for the taxable year next following.

(j) (1) "Department" means the State Department of Assessments and Taxation.

(2) "Department" includes, unless the context requires otherwise, a supervisor.

(k) "Director" means the Director of the State Department of Assessments and Taxation.

(l) "Domestic corporation" means a corporation organized under the laws of the State.

(m) "Foreign corporation" means a corporation organized under the laws of the United States, a foreign country, or another state.

(n) "Governing body" means:

(1) for Baltimore City, unless otherwise provided, the Board of Estimates;

(2) for charter counties, as provided by local law, the county council or the county executive and the county council;

(3) for code counties, the county commissioners or county council;

(4) for county commissioner counties, the county commissioners; and

(5) for municipal corporations, the body provided by municipal charter.

(o) "Includes" or "including" means includes or including by way of illustration and not by way of limitation.

(p) "Internal Revenue Code" means Title 26 of the United States Code.

(q) "Law" includes any enactment, order, resolution, or ordinance of a county or municipal corporation.

(r) (1) "Manufacturing" means the process of substantially transforming, or a substantial step in the process of substantially transforming, tangible personal property into a new and different article of tangible personal property by use of labor or machinery.

(2) "Manufacturing" includes:

(i) the operation of sawmills, grain mills, or feed mills;

(ii) the operation of machinery and equipment used to extract and process minerals, metals, or earthen materials or by–products that result from the extracting or processing;

(iii) research and development activities, whether or not the company has a product for sale;

(iv) the identification, design, or genetic engineering of biological materials for research or manufacture; and

(v) the design, development, or creation of computer software for sale, lease, or license.

(3) "Manufacturing" does not include:

(i) activities that are primarily a service;

(ii) activities that are intellectual, artistic, or clerical in nature;

(iii) public utility services, including telephone, gas, electric, water, and steam production services; or

(iv) any other activity that would not commonly be considered as manufacturing.

(s) "Municipal corporation" means an entity that is subject to Article XI–E of the Maryland Constitution.

(t) (1) "Municipal corporation property tax" means the tax on property authorized under §§ 6–203 and 10–102 through 10–105 of this article.

(2) "Municipal corporation property tax" does not include a tax imposed on property specifically benefited by local improvements.

(u) "Operating land" means any land used to operate a railroad or public utility.

(v) (1) "Operating personal property" includes any property, other than real property, used to operate a railroad or public utility.

(2) For a public utility, "operating personal property" includes cables, lines, poles, and towers.

(w) (1) "Operating property" means any property used to operate a railroad or public utility.

(2) "Operating property" includes operating real property and operating personal property.

(x) "Operating real property" includes any real property used to operate a railroad or public utility.

(y) (1) "Operating unit" means, as determined by the Department, all of the operating property of a railroad or a public utility.

(2) "Operating unit" includes operating property that is located outside of the State.

(3) "Operating unit" does not include more than 1 railroad or public utility for which separate accounts are kept, unless the Department finds that:

(i) the accounts are under the same or commonly controlled management; and

(ii) the inclusion is necessary to determine the value of the operating property.

(z) "Person" means an individual, receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind and any partnership, firm, corporation, or other entity.

(aa) "Principal office of a domestic corporation" means:

(1) the office in the State where the business of the corporation is directed and managed;

(2) if there is no office in the State where the business is directed and managed, the place in the State where the principal business of the corporation in the State is transacted; or

(3) if there is no office or place that meets the requirements of item (1) or (2) of this subsection, the principal office named in the corporation charter or reported to the Department.

(bb) "Principal office of a foreign corporation in the State" means the place in the State where the principal business or operation of the corporation in the State is carried on.

(cc) "Property" means real property and personal property.

(dd) "Property tax" means the property tax imposed by:

(1) the State;

(2) a county; or

(3) a municipal corporation.

(ee) (1) "Public utility" means a company classified by the Department as a public utility under § 8–109 of this article.

(2) "Public utility" includes:

(i) an electric company;

(ii) a gas company;

(iii) a pipeline company;

(iv) a sewage disposal company;

(v) a steam heating company;

(vi) a telephone company; and

(vii) a water company.

(3) "Public utility" does not include:

(i) a cable television company;

(ii) a cellular telephone company;

(iii) a cogenerator;

(iv) an exempt wholesale generator;

(v) an independent power producer;

(vi) a small power producer; or

(vii) a utility owned by a county or municipal corporation.

(ff) "Quarterly date of finality" means the April 1 or October 1 when assessments may be made for real property that becomes assessable up to that time and after the last date of finality or semiannual date of finality.

(gg) (1) "Real property" means any land or improvements to land.

(2) "Real property" includes:

(i) a leasehold or other limited interest in real property; and

(ii) an easement.

(hh) (1) "Research and development" means:

(i) basic and applied research in the sciences and engineering; and

(ii) the design, development, and governmentally required premarket testing of prototypes, products, and processes.

(2) "Research and development" does not include:

(i) market research;

(ii) research in the social sciences, psychology, or other nontechnical activities;

(iii) routine product testing;

(iv) sales services;

(v) technical and nontechnical services; or

(vi) research and development of a public utility.

(ii) "Resident of the State" includes a domestic corporation.

(jj) "Semiannual date of finality" means July 1, when assessments may be made for real property that becomes assessable after the immediately preceding date of finality or quarterly date of finality.

(kk) "State" means:

(1) a state, possession, or territory of the United States;

(2) the District of Columbia; or

(3) the Commonwealth of Puerto Rico.

(ll) "State property tax" means the tax imposed on property under § 6–201 of this article and authorized under §§ 10–102 and 10–103 of this article.

(mm) "Supervisor" means the supervisor of assessments for a county.

(nn) "Tax roll" means the assessment roll to which the property tax rate has been applied and on which the property tax on each property is shown.

(oo) "Taxable year" means July 1 to June 30, both inclusive, for which the State, each county, municipal corporation, and taxing district of the State computes, imposes, and collects property tax.

(pp) "Valuation" means the process of determining the value of property.

(qq) "Value" means the full cash value of property.

§1–201.

(a) A requirement in this article that a document be under oath means that the document shall be supported by a statement made under the penalties of perjury that the contents of the document are true to the best of the knowledge, information, and belief of the individual making the statement.

(b) The oath or affirmation shall be made:

(1) before an individual authorized to administer oaths, who shall certify in writing to have administered the oath or taken the affirmation; or

(2) by a signed statement that:

(i) is in the document or attached to and made part of the document; and

(ii) is expressly made under the penalties for perjury.

(c) If the procedures provided in subsection (b)(2) of this section are used, the affidavit subjects the individual making it to the penalties for perjury to the same extent as an oath or affirmation made before an individual authorized to administer oaths.

§1–202.

(a) A person doing business in the State is deemed a resident of the State and of the county and any municipal corporation where the business is conducted if personal property is used in or in connection with the business.

(b) A personal representative of the estate of a decedent is deemed a resident of the county where appointed.

(c) A guardian is deemed a resident of the county where appointed.

§1–203.

(a) In this section, "fiduciary" includes a personal representative, trustee, or guardian.

(b) Except as otherwise provided in this article, a fiduciary is liable for the taxes on property held by the fiduciary as a fiduciary.

(c) Except as otherwise provided in subsection (d) of this section or in the case of default or breach of duty, a fiduciary's liability extends only to assets that the fiduciary holds as a fiduciary.

(d) (1) A fiduciary who distributes property held as a fiduciary after the date of finality for the next following taxable year shall retain sufficient funds to pay any taxes on the property for that taxable year for any assessment against the property held in a fiduciary capacity, if the assessment is made before the date of finality.

(2) If the fiduciary fails to retain sufficient funds to pay these taxes, the fiduciary and the bond of the fiduciary are liable for the taxes.

§1–204.

A "common trust fund" as defined in § 3-501(b) of the Financial Institutions Article is not subject to tax under this article.

§1–301.

(a) In this section, "tax information" means:

(1) the amount of income or any particulars disclosed in any return required under any provision of law of this State if the return contains federal return information;

(2) the amount of income or any particulars disclosed in any application required under § 9-104 of this article; or

(3) any federal return information required to be attached to or included in a return of this State or to any application required under § 9-104 of this article.

(b) An officer, employee, former officer, or former employee of the State or any political subdivision of the State may not make known, in any manner, any tax information, except:

(1) in accordance with proper judicial or legislative order; and

(2) to an officer of the State or of any political subdivision of the State who by reason of the office has a right to tax information.

§1–302.

(a) In this section, "taxes" includes interest and penalties on taxes.

(b) The courts of this State shall recognize and enforce liability for taxes imposed by the laws of another state if the other state recognizes and enforces liability for similar taxes imposed by this State.

(c) An official of another state described in subsection (b) of this section may bring an action in the courts of this State to collect taxes. A certification of the Secretary of State of the other state or comparable official in the District of Columbia is conclusive proof that the official has the authority to collect the taxes.

§1–303.

(a) In this section, "legal holiday" means:

(1) the day on which a legal holiday, as defined in § 1–111 of the General Provisions Article, is observed; or

(2) a federal legal holiday.

(b) Notwithstanding any other law, when under State or local law, the last day to pay a tax, file a tax return or perform any other act that relates to taxes under this article falls on a Saturday, Sunday, or legal holiday, performance of the act is considered timely if the act is performed on the next succeeding day that is not a Saturday, Sunday, or legal holiday.

(c) For purposes of this section, the last day to perform an act is the last day of any authorized extension of time.

§1–304.

The Comptroller is responsible for the collection of all State taxes at the rates required by law on the various classes of property determinations against which are certified directly to the Comptroller and on which taxes are payable directly into the Treasury of the State.

§1–305.

Notwithstanding any other law of the State, the State or any of its units, political subdivisions, or special taxing districts may act as necessary to collect from the United States money that is available for reimbursement for taxes or other charges that have been lost because the United States or one of its units holds title to property in the State.

§1–401.

It is the intent of the General Assembly that property owners in this State have:

(1) knowledge that the valuation and assessment of property is the responsibility of the State Department of Assessments and Taxation;

(2) understanding of the valuation and assessment process;

(3) assurance that the valuation and assessment of property within classes is uniform;

(4) access to information which is the basis for the property valuation and assessment process in this State; and

(5) understanding that the setting of property tax rates and the collection of property taxes is a local government function.

§1–402.

Property owners in this State have the following rights:

(1) (i) the right to an assessment notice upon reassessment, as provided in § 8–401 of this article, that clearly explains:

1. the property owner's right to appeal an assessment;

2. that the determination of value is based upon information contained in the valuation records of the Department;

3. the property owner's right of access to the valuation records of the Department; and

4. that if an assessment has increased, the total amount of property tax owed by the property owner may also increase even if the property tax rate has not increased; and

(ii) the right to receive information concerning the calculation of the assessment and description of the property on the Department's website;

(2) the right to obtain, at no charge:

(i) a brochure explaining the valuation and assessment process;

(ii) the record card and assessment work sheet for the property that is the subject of an assessment; and

(iii) a brochure explaining the record card and assessment work sheet, their pertinent parts, and an example and definition of commonly used appraisal terms;

(3) the right of access to the property assessment roll;

(4) the right to appeal an assessment within 45 days of the notice of assessment, as provided in § 14–502 of this article, and to assist in an appeal, to obtain:

(i) at no charge, a brochure explaining the assessment appeal process;

(ii) at no charge, a copy of the sales analysis for the area in which the property is located; and

(iii) for a reasonable fee, copies of record cards and assessment work sheets for other similar properties, as provided in § 14–201 of this article;

(5) the right to be provided with an alternate site or an evening or Saturday assessment appeal hearing, as provided in § 8–412 of this article;

(6) the right to an assessment appeal hearing conducted by telephone, in accordance with the standards and procedures of the Department;

(7) the right to postponement of an assessment appeal hearing one time without cause at the property owner's request, and additional postponements only for good cause;

(8) during an appeal hearing, the right to a review and explanation by the assessor of the items and values shown on the assessment work sheet and record card;

(9) after an appeal hearing, the right to:

(i) not have an assessment increased during the current 3–year cycle because of information ascertained at an appeal hearing on residential property; and

(ii) a reinspection of a property, upon request, to review updated information revealed during an appeal hearing that could result in a decreased assessment;

(10) notwithstanding the failure to file an appeal within 45 days, the right to require the Department to review and correct any mathematical, clerical, measurement, or other technical errors used as the basis for an assessment, as provided in § 8–419 of this article;

(11) the right to file a petition for review within any year of the 3–year assessment cycle, as provided in § 8–415 of this article;

(12) the right to the consideration of the facts and reasons stated in a decision on an appeal from the Property Tax Appeal Board or the Maryland Tax Court

when the assessment of a property is next reviewed, as provided in § 8–205 of this article; and

(13) the right to be notified of the availability of State property tax credits, including the homestead property tax credit, the homeowners property tax credit, and the renters tax credit.

§1–403.

This subtitle shall be known as the Property Owner's Bill of Rights.

§2–101.

There is a Department of Assessments and Taxation established as a department of the State government.

§2–102.

(a) The head of the Department is the Director of Assessments and Taxation, who shall be appointed by the Governor.

(b) The Director shall be an individual who has executive ability and who is trained and experienced in the tax field.

(c) Before taking office, the appointee shall take the oath required by Article I, § 9 of the Maryland Constitution.

§2–103.

The Director may employ staff and consultants in accordance with the State budget.

§2–104.

(a) The Director shall designate one employee of the Department to be "State Supervisor of Assessments" and other employees of the Department to be "assessments area supervisors".

(b) Subject to the direction of the Director, the State Supervisor of Assessments and the assessments area supervisors shall supervise the performance of duties of the supervisors and the various assessors appointed under this title.

(c) The State Supervisor of Assessments and the assessments area supervisors are in the management service of the State Personnel Management

System. However, they shall hold their positions during good behavior and may be removed from their positions only after a hearing before the Department and a finding of incompetency or other cause.

§2–105.

(a) There is a supervisor for each county.

(b) (1) In this subsection and subsection (c) of this section, "appropriate county official" means the Mayor of Baltimore City, the county commissioners or county council of each county, or, if the county charter provides for a county executive, the county executive with the approval of the county council.

(2) Each supervisor:

(i) shall be appointed by the Director; and

(ii) shall be in the management service of the State Personnel Management System.

(3) The Director shall appoint each supervisor from a list of five qualified individuals submitted to the Director by the appropriate county official. The Director shall give the appropriate county official written notice that a vacancy exists in that county. Unless the Director extends the period on written request from the appropriate county official, the appropriate county official shall submit its list of nominees to the Director on or before 60 days from the date the Director notifies the official of the vacancy.

(4) If the Director finds that none of the nominees on a list meets the qualifications set under § 2–109 of this subtitle, the Director may reject all of them and request the appropriate county official to provide a new list. If the appropriate county official does not submit a new list within 20 days of receiving the Director's request, the Director may appoint any qualified individual.

(c) (1) In addition to the qualifications set under § 2–109 of this subtitle, a supervisor:

(i) may not hold any other public office of profit; and

(ii) on appointment, need not be a resident of the county for which the supervisor was appointed, but shall become a resident of the county after the appointment is made.

(2) The appropriate county official may waive the residency requirement of paragraph (1)(ii) of this subsection.

(3) If the appropriate county official nominates an individual under subsection (b)(3) of this section who is not currently a resident of the county, the residency requirement of paragraph (1)(ii) of this subsection is waived for that individual.

(d) A supervisor may be removed from office only after a hearing before the Department and a finding of incompetency or other cause.

(e) The classifications and salaries of supervisors shall be set in accordance with the provisions of Division I of the State Personnel and Pensions Article.

§2–106.

(a) Each county shall provide the supervisor of the county with an office in the county seat or in Baltimore City, for the supervisor of Baltimore City. The Department is responsible for providing each supervisor with clerical staff, equipment, and other facilities and assistance that the Department considers necessary and as provided in the State budget.

(b) (1) Except as provided in paragraph (2) of this subsection, each county and Baltimore City shall be responsible for reimbursing the State for the costs of administering the Department as follows:

(i) 50% of the costs of real property valuation;

(ii) 50% of the costs of business personal property valuation; and

(iii) 50% of the costs of the Office of Information Technology within the Department, including any funding for departmental projects in the Major Information Technology Development Project Fund established under § 3.5–309 of the State Finance and Procurement Article.

(2) For each of fiscal years 2012 and 2013, each county and Baltimore City shall be responsible for reimbursing the State 90% instead of 50% of the costs of administering the Department described in paragraph (1) of this subsection.

(c) Costs under subsection (b) of this section shall be allocated among the counties and Baltimore City as follows:

(1) costs under subsection (b)(1)(i) and (iii) of this section will be allocated based on the number of real property accounts of a county or Baltimore City as a percentage of the total number of real property accounts statewide as of July 1 of the preceding fiscal year; and

(2) costs under subsection (b)(1)(ii) of this section will be allocated based on the business personal property assessable base of a county or Baltimore City as a percentage of the total business personal property assessable bases statewide as of July 1 of the preceding fiscal year.

(d) Each county and Baltimore City shall remit a quarterly payment to the Comptroller for 25% of the jurisdiction's share of costs on the following dates:

(1) July 1;

(2) October 1;

(3) January 1; and

(4) April 1.

(e) The Comptroller may withhold a portion of a local income tax distribution of a county or Baltimore City that fails to make timely payment in accordance with this section.

§2–107.

The Department shall employ professional assessors including competent and experienced persons as assessors of commercial or industrial property, as provided in the State budget, and may assign the assessors to the supervisors as necessary to enable the supervisors to carry out their responsibilities under this title.

§2–108.

(a) Before taking office, each assessor shall take the oath required by Article I, § 9 of the Maryland Constitution.

(b) The assessor shall take the oath before the clerk or a deputy clerk of the circuit court for the county:

(1) in which the assessor resides; or

(2) that is designated by the Director.

§2–109.

The Secretary of Budget and Management, after consultation with the Department, shall:

(1) set schedules of classifications and salaries for all employees of the Department in accordance with the provisions of Division I of the State Personnel and Pensions Article; and

(2) set minimum education or experience qualifications for:

(i) all supervisors;

(ii) all assessor classifications; and

(iii) all clerical classifications in the Department.

§2–110.

(a) The salary schedules set for assessors under § 2-109 of this subtitle shall provide an appropriate incentive to encourage assessors to achieve the designation of certified assessment evaluator.

(b) A county may not provide a salary supplement or any other fringe benefit for an assessor.

§2–111.

The Director, after consultation with the Secretary of Budget and Management, may adopt a regulation that permits the substitution of building trades or real estate experience for any educational qualifications that are set for assessors under § 2-109 of this subtitle.

§2–112.

(a) (1) In this section the following words have the meanings indicated.

(2) "Homeowner" has the meaning stated in § 9–105 of this article.

(3) "Tax" has the meaning stated in § 14–801 of this article.

(b) There is a State Tax Sale Ombudsman in the Department.

(c) The Ombudsman:

(1) shall be appointed by the Director;

(2) shall be in the management service of the State Personnel Management System; and

(3) may be removed from office only after a hearing before the Department and a finding of incompetency or other good cause.

(d) The Ombudsman shall:

(1) assist homeowners to understand the process for collection of delinquent taxes;

(2) actively assist homeowners to apply for tax credits, discount programs, and other public benefits that may assist the homeowners to pay delinquent taxes and improve their financial situation;

(3) refer homeowners to legal services, housing counseling, and other social services that may assist homeowners to pay delinquent taxes and improve their financial situation;

(4) maintain a website that functions as a clearinghouse for information concerning:

(i) the process for collection of delinquent taxes; and

(ii) services and programs that are available to assist homeowners to pay delinquent taxes and improve their financial situation; and

(5) maintain a toll–free telephone number that a homeowner may call to obtain individualized personal assistance with delinquent taxes.

(e) A county may, by law, establish a County Tax Sale Ombudsman to fulfill all the responsibilities of the State Tax Sale Ombudsman under subsection (d) of this section with respect to homeowners within the county.

(f) (1) The Ombudsman shall contract with a vendor to operate an installment payment program for the payment of taxes in which any homeowner may enroll.

(2) The installment payment program shall allow a homeowner to:

(i) make advance payments of taxes;

(ii) make payments of taxes currently due; or

(iii) make payments of taxes in arrears.

(3) (i) A homeowner whose dwelling is subject to a deed of trust, a mortgage, or any other encumbrance that includes the escrowing of tax payments may not enroll in the installment payment program for the advance payment of taxes.

(ii) An advance payment of taxes is calculated by applying the current property tax rate to the assessment of the homeowner's property for the prior year.

(iii) If the advance payment is different than the taxes due as finally determined, the vendor shall:

1. bill the homeowner for the unpaid balance; or

2. refund any excess tax paid.

(iv) The failure by a homeowner to make an advance payment under the installment payment program may not be considered to be a failure to pay the property tax when due except as provided under Title 10, Subtitle 1 of this article.

(4) The Ombudsman shall notify the collector to whom the taxes are owed when a homeowner enters into an installment payment plan under this subsection.

(5) If a homeowner is in compliance with the terms of an installment payment plan, the collector may not take action under Title 14, Subtitle 8 of this article to collect any property taxes in arrears that are included in the installment payment plan.

(6) A homeowner is not in compliance with the terms of an installment payment plan if the homeowner fails to make a payment for a period of 90 days after the date the payment is due, or a longer period determined by the Ombudsman.

(7) If a homeowner is not in compliance with the terms of an installment payment plan:

(i) the Ombudsman:

1. may terminate the installment payment plan; and

2. shall notify the collector to whom the taxes are owed; and

(ii) the collector may take action under Title 14, Subtitle 8 of this article to collect any property taxes in arrears that were included in the installment payment plan.

(8) The cost of the contract with the vendor to operate the installment payment program shall be paid entirely by reasonable fees imposed on homeowners enrolled in the program.

§2–201.

(a) The Director is responsible for the operation of the Department.

(b) (1) The Director shall administer and enforce:

(i) the provisions of this article; and

(ii) any other provision of law that is assigned to the Director or the Department for administration or enforcement.

(2) The Director may exercise any right or power that is conferred on the Director or the Department.

§2–202.

In addition to the powers and duties set forth elsewhere, the Director has the following powers and duties:

(1) to direct that the Department assess all property that is subject to assessment under this article;

(2) to administer the assessment and tax laws of the State and of each county and municipal corporation;

(3) to direct that the Department enter all taxable property on the assessment rolls and, regardless of whether the property is owned by an individual, corporation, or some other person, to value alike all property of a like kind;

(4) to set standards or units for assessing various kinds of property;

(5) subject to the approval of the Comptroller, to adopt a uniform system of accounts to be used by all collectors of State taxes;

(6) to confer with appropriate county officials and to visit each county as often as necessary;

(7) to direct that the Department require any person to provide complete information as to that person's ownership of taxable property and to its value;

(8) to direct that the Department investigate, on its own initiative, at any time, any assessment on any property in the State;

(9) to confer, as appropriate, with the Governor, Comptroller, and Treasurer;

(10) subject to § 2–1257 of the State Government Article, to submit to the General Assembly an annual report and any legislation that the Department may recommend for enactment;

(11) to direct that the Department participate in any Maryland Tax Court or judicial proceeding that involves an assessment or tax;

(12) to direct that the Department provide for annual surveys, conducted in the manner required by the Director, to determine the assessment ratios in each county; and

(13) to direct that the Department supply all public branch libraries in the State as soon after issuance as possible with one or more copies of the most current Maryland Assessment Manual, the Assessors' Administrative Procedures Manual, and the annual supplements to the manuals.

§2–203.

(a) (1) The Department shall continually review all real property assessments to provide a review of each assessment at least once in each 3-year cycle.

(2) If any assessment has not been reviewed during a 3-year cycle, the Department may order a review of the assessment at any time.

(b) (1) For the review under subsection (a) of this section, real property is not required to be reviewed individually or separately, but it may be grouped:

(i) in areas;

(ii) by character or use; or

(iii) in any other manner that the Department considers to be helpful or necessary.

(2) For the review under subsection (a) of this section, the Department shall perform a physical inspection if:

(i) the value of improvements is being initially established under § 8–401(b)(3) of this article;

(ii) the value of substantially completed improvements is being established under § 8–104(c)(1)(iii) of this article;

(iii) the property is the subject of a recent sale, and the inspection is deemed necessary by the Department for purposes of a market analysis;

(iv) the property owner requests a physical inspection as part of an active appeal;

(v) The Department is notified by a county finance officer that a substantially completed improvement has been made that adds at least $1,000,000 in value to the property; or

(vi) the Department or the supervisor determines that a physical inspection is appropriate.

(3) The Department shall perform the physical inspection required under paragraph (2)(v) of this subsection within 30 days after receiving notice of the improvement.

(c) On request of the property tax assessment appeal board for the county in which the property is located, the Director shall order a review of any real property assessment.

(d) When reviewing real property under this section, the Department may use property description cards, property location maps, land classification maps, unit value maps, land use maps, zoning maps, records of new construction, sales records, building cost information, private appraisals, periodic surveys of assessment ratios, or any other material or information that the Department considers to be a reliable aid in determining real property value.

§2–204.

(a) The Director may order a revaluation of any real property if, based on consideration and evaluation of a review of a real property valuation on which the existing assessment is based, it appears that the existing valuation of the real property is erroneous because it differs significantly from valuations on comparable properties.

(b) Before ordering a revaluation of real property under this section, the Director shall consult with the governing body of the county or property tax assessment appeal board of the county in which the real property is located.

§2–205.

(a) In this section, "taxing authority" means:

(1) the county council or board of county commissioners of a county;

(2) the City Council of Baltimore City; and

(3) the governing body of a municipal corporation.

(b) (1) On or before February 14 of each year, the Department shall send each taxing authority:

(i) an estimate of the total assessment of all real property in the county or municipal corporation for the next taxable year; and

(ii) an estimate of the total assessment:

1. of all new construction and improvements in the county or municipal corporation not assessed since the last date of finality; and

2. of all real property in the county or municipal corporation that may be deleted from the assessment records.

(2) The Department shall notify each taxing authority of any change in the estimated assessment of all real property in the county or the municipal corporation that results from actions of a property tax assessment appeal board or the Maryland Tax Court.

(c) (1) The Department shall notify each taxing authority of the constant yield tax rate that will provide the same property tax revenue that is provided by the real property tax rate that is in effect for the current taxable year.

(2) In calculating a constant yield tax rate for a taxable year, the Department shall use an estimate of the total assessment of all real property for the next taxable year exclusive of real property that appears for the 1st time on the assessment records.

(3) (i) The Department may amend a constant yield tax rate only as provided in this paragraph.

(ii) On or before April 15 each year, the Department may amend a constant yield tax rate when a county or municipal corporation alters the homestead tax credit percentage under § 9–105 of this article.

(iii) On or before May 15 each year, the Department may amend a constant yield tax rate:

1. when directed to make a change by an enactment of the General Assembly;

2. to correct an error in the calculation of the constant yield tax rate; or

3. to reflect a significant loss of taxable base, as determined by the Director.

§2–206.

On request by the Maryland Tax Court, the Department shall perform administrative duties for the Maryland Tax Court.

§2–207.

(a) In this section, "taxing official" means:

(1) as to the federal government:

(i) any official of the United States Treasury Department; or

(ii) any collector of federal taxes; and

(2) as to the government of any state, any state official who is responsible under the law of that state for:

(i) the assessment process;

(ii) the imposition of taxes; or

(iii) the collection of taxes.

(b) (1) Subject to subsection (c) of this section and notwithstanding any other provision of law, the Department may provide a tax official of another state or of the federal government with information that relates to:

(i) the assessment process;

(ii) the imposition of taxes;

(iii) the collection of taxes; or

(iv) any other tax matter.

(2) The information that the Department may provide under this section may be obtained from:

(i) any tax report or return that is filed under law; or

(ii) any tax audit or investigation.

(c) The Department may provide information under this section only if:

(1) the Department is satisfied that the information will be used for tax purposes only; and

(2) the federal or state government to which the information is to be released provides similar information to the tax officials of this State.

§2–208.

The Department shall attempt to determine the most effective and equitable method to assess property and collect taxes. In particular, the Department shall attempt to determine the best method of reaching all property that is subject to assessment and tax while avoiding taxing the same property twice. For these purposes, the Department may inquire into the laws of other jurisdictions regarding the situs of property for tax purposes and confer with the assessing and tax authorities of other jurisdictions.

§2–209.

(a) The Department shall adopt and periodically revise a uniform plan to assess property.

(b) All assessors and property tax assessment appeal boards shall follow strictly the uniform plan.

§2–210.

(a) The Department shall prepare, install, and maintain for each county a complete record of properties, with appropriate indexes and cross indexes, and a system of appraisal aids that consist of:

(1) property location maps; and

(2) records of:

(i) new construction;

(ii) sales;

(iii) building costs; and

(iv) private appraisals.

(b) (1) The Department shall publish instructions and directions that set forth generally the duties to be performed and the procedures to be followed in making and recording assessments.

(2) The instructions and directions shall be distributed to the governing body of each county, all assessment officers, and any official who has any duty that relates to assessments.

(c) The Director shall establish and provide all forms for notices, records, reports, and other matters that relate to the functions of supervisors and assessors.

§2–211.

(a) (1) Each supervisor shall keep a record of all real property assessments.

(2) The record shall be arranged alphabetically, according to owners, by election district or subdistrict, taxing district, or assessment area. However, the supervisor may arrange the record:

(i) listing the real properties in lot and block order by subdivisions, if the record also contains an alphabetical index that shows the page where the accounts listed may be located;

(ii) in Baltimore City, by wards and by blocks that correspond, as far as possible, to the block numbers used in the Baltimore City Circuit Court records; or

(iii) in an electronic medium.

(b) (1) Each account in the record shall show for the real property:

(i) the name and address of the owner;

(ii) a brief description of the property;

(iii) the specific location of the property;

(iv) the general location of the property including a deed or will reference and any tax map reference; and

(v) the assessment of:

1. the land; and

2. any improvement on the land.

(2) The details of land and improvements on the land that have been valued at different amounts shall be recorded on the respective worksheet.

(3) The Department shall include with each property record a note describing:

(i) any reduction in an assessment resulting from an order or decision of a property tax assessment appeals board, the Maryland Tax Court, or any other court issued on or after October 1, 2014; and

(ii) the specific reason for the reduction, if the board or court indicates in its order or decision the reason for the reduction.

(c) The record shall be rewritten periodically and the current record and prior records shall be retained. However, except for a record that contains current values, any record may be retained in an electronic medium as provided by State law and the original destroyed. The electronic record shall be the permanent record. The

Department may periodically transfer property records to the State Archives for retention, including property record cards.

(d) The record in the custody of the Department and prior records in the custody of the State Archives shall be available for public inspection without charge.

(e) Copies of the assessment record shall be made available to the public at a reasonable cost. If the Department approves of the purpose for which the information is requested, the Department may make available to the public, at a reasonable cost, copies of data processing tapes or other magnetic media containing the record of the assessment records.

(f) (1) If the accuracy or completeness of information used to assess real property is disputed by the owner of the real property or if the owner has additional information that the owner believes is relevant to the value of the real property, the owner may file a brief statement containing the nature of the dispute or the additional information.

(2) The supervisor shall retain the statement as part of the assessment record.

§2–212.

(a) Personal property assessment records:

(1) shall be maintained and arranged in alphabetical order according to the owner by county, election district, taxing district, or assessment area; and

(2) may be retained in an electronic medium.

(b) Each record shall contain:

(1) a brief description of the nature of the personal property; and

(2) the value of the personal property.

(c) A personal property assessment record may be inspected only by:

(1) the property owner or the property taxpayer if different from the owner, for the personal property; or

(2) an officer of the State, a county, or a municipal corporation that is affected by the personal property assessment.

(d) The Department may allow a commercial bank to have access to personal property returns for the limited purpose of assisting in the collection of filing fees through a lockbox system.

(e) The Department may periodically transfer property records to the State Archives for retention.

§2–213.

(a) Each supervisor shall maintain for public inspection, without charge:

(1) a complete set of tax maps for the county together with parcel reference lists; and

(2) on request of an interested party, sales records or transfer voucher forms that relate to sales of real property.

(b) The Department shall provide copies of the information set forth in subsection (a) of this section to the public for a reasonable fee that reflects the cost of reproduction.

§2–214.

To explain and support the Department's recommendations, the supervisor for a county, or an assessor assigned to that supervisor, shall attend any hearing before the property tax assessment appeal board of that county.

§2–215.

When an assessment appeal is filed with a supervisor and the amount of the proposed value of the property is more than $2,000,000, the Department shall notify the appropriate county legal officer of the filing.

§2–216.

(a) In addition to carrying out the instructions of and the duties assigned by the Department, each supervisor has the powers and duties set forth in this section.

(b) Each supervisor is the chief assessor and shall supervise the assessing of all property in the county for which the supervisor is appointed.

(c) Each supervisor shall:

(1) visit frequently each district of the county for which the supervisor is appointed to obtain all necessary information as to the existence and valuation of property that is subject to tax;

(2) keep informed as to:

(i) sales in the county; and

(ii) the conditions that relate to those sales; and

(3) report to the Department the sales and the consideration involved.

(d) Each supervisor shall attempt diligently to list all escaped and new property in the county for which the supervisor is appointed.

(e) Each supervisor shall cooperate with appropriate county officials and other assessing authorities to make equitable assessments.

(f) If the supervisor considers the assessment or ruling to be improper, the supervisor may appeal to the Maryland Tax Court any assessment or ruling of the property tax assessment appeal board of the county for which the supervisor is appointed.

(g) A supervisor may:

(1) correct annually the value of any improperly valued property; and

(2) value any property that has been omitted or later acquired.

§2–217.

(a) In this section, "inspection" means an exterior physical inspection of real property for the purpose of determining the condition and attributes of real property and verifying the measurements of any improvements to land.

(b) Assessors are authorized to enter on land for the limited purpose of making inspections.

(c) The Department shall adopt regulations to implement this section.

§2–218.

(a) The Department may request documentation to verify that a dwelling is the principal residence of a homeowner.

(b) The documentation requested under subsection (a) of this section may include, but is not limited to, requiring an individual to execute a sworn affidavit regarding residency for the purposes of:

(1) voting;

(2) driver's license address; and

(3) income tax filing.

(c) Failure to provide the requested information under this section within 30 days from the date of a request shall result in a dwelling being designated as not a principal residence for purposes of this article.

§2–218.1.

(a) The Department shall provide the data required to make any calculations related to real property and personal property under Title 5, Subtitle 2 of the Education Article to the Department of Budget and Management, the State Department of Education, and the Department of Legislative Services by December 1 and May 1 of each year.

(b) The county governing body shall provide the Department the information required for the calculations under § 5–201(d) of the Education Article by November 1 each year.

§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.

§2–220.

The Department shall pay the amount received by the Department in payment of annual filing fees of Maryland corporations under § 1-203 of the Corporations and Associations Article into the General Fund of the State.

§2–221.

The Department shall:

(1) pay immediately to the Treasurer for distribution as provided by this Part II of this subtitle all organization and capitalization fees and all recording, filing, or other fees that are collected by the Department under § 1-203 of the Corporations and Associations Article; and

(2) account quarterly to the Comptroller for all money collected and paid under this subtitle.

§2–222.

(a) (1) In this section the following words have the meanings indicated.

(2) "Base year" means the taxable year immediately before the taxable year in which property first becomes qualified property under this section.

(3) (i) "Base year value" means the value of the property used to determine the assessment on which the property tax on real property was imposed for the base year.

(ii) "Base year value" does not include any new real property that was first assessed in the base year.

(4) "BRAC Revitalization and Incentive Zone" has the meaning stated in § 5–1301 of the Economic Development Article.

(5) "BRAC Revitalization and Incentive Zone Tax Rate" means the property tax rate of the political subdivision where a BRAC Revitalization and Incentive Zone is located for the taxable year when the Secretary of Commerce first designates the area as a BRAC Revitalization and Incentive Zone.

(6) "Eligible assessment" means the difference between the base year value and the actual value as determined by the Department for the applicable taxable year.

(7) "Property tax increment" means the property tax attributable to the eligible assessment of qualified property.

(8) "Qualified property" means real property that is:

(i) located in a BRAC Revitalization and Incentive Zone that is designated under Title 5, Subtitle 13 of the Economic Development Article; and

(ii) in one of the categories of commercial or residential property that the Department of Commerce has determined, in consultation with the Base Realignment and Closure Subcabinet and as provided in regulations adopted by the Department of Commerce, enhance the economic development of the BRAC Revitalization and Incentive Zone.

(9) "Tax increment financing bonds" means bonds issued:

(i) by a county or municipal corporation under Title 12, Subtitle 2 of the Economic Development Article; or

(ii) by Baltimore City under Article II, § 62 of the Charter of Baltimore City.

(b) (1) The amounts received by a political subdivision under this section may be used only for the purposes provided in § 5–1306 of the Economic Development Article.

(2) Subject to subsections (c) and (f) of this section, for each fiscal year for a period of 10 consecutive fiscal years beginning in fiscal 2010, the State shall provide to each political subdivision in which a BRAC Revitalization and Incentive Zone has been established an amount equal to:

(i) the State property tax increment on the qualified properties in the BRAC Revitalization and Incentive Zone; and

(ii) one–half of the political subdivision's property tax increment on qualified properties, determined using the BRAC Revitalization and Incentive Zone Tax Rate for the political subdivision.

(c) (1) The total amount paid to all political subdivisions for any fiscal year under this section may not exceed the lesser of:

(i) the amount appropriated for the purpose of this section for that fiscal year in the State budget as approved by the General Assembly; or

(ii) $5,000,000.

(2) If the total amount to be paid to all political subdivisions as determined under subsection (b)(2) of this section without regard to the limitation under paragraph (1) of this subsection exceeds the limitation under paragraph (1) of this subsection, each political subdivision shall receive an amount equal to the product of multiplying the amount determined for that political subdivision under subsection (b)(2) of this section times a fraction:

(i) the numerator of which is the limitation under paragraph (1) of this subsection; and

(ii) the denominator of which is the total amount to be paid to all subdivisions as determined under subsection (b)(2) of this section without regard to the limitation under paragraph (1) of this subsection.

(d) (1) After a BRAC Revitalization and Incentive Zone is designated by the Secretary of Commerce, on or before February 1 of each year, the appropriate governing body shall certify to the Department:

(i) any real property in the BRAC Revitalization and Incentive Zone that is qualified property for the next taxable year; and

(ii) the date that the real property became qualified property.

(2) (i) On or before March 1 of each year, the Department shall calculate the amount determined for each political subdivision under subsection (b)(2) of this section for the next fiscal year.

(ii) The Comptroller shall pay the amounts due the political subdivisions under this section quarterly.

(e) Any amount provided under this section does not limit or otherwise affect any authority of a political subdivision under any other provision of law to pledge any other assets or revenues towards the repayment of tax increment financing bonds.

(f) (1) This subsection applies only to a political subdivision that is authorized under § 7–211.3 of this article to enter into a payment in lieu of tax agreement with a private developer of federal enclave property.

(2) The State may not provide amounts under this section to a political subdivision until, in the judgment of the Secretary of Commerce, the local jurisdiction has entered into good–faith negotiations for a payment in lieu of tax agreement with all private developers of federal enclave property.

(g) The Department and the Department of Commerce jointly shall adopt regulations to carry out the provisions of this section and to specify criteria and procedures for application, approval, and monitoring the eligibility for the amounts under this section.

§3–101.

(a) In this title the following words have the meanings indicated.

(b) "Administrator" means the Administrator of the property tax assessment appeal boards.

(c) "Board" means a property tax assessment appeal board.

(d) "Member" means a member or alternate member of a property tax assessment appeal board.

§3–102.

There is a property tax assessment appeal board in each county.

§3–103.

(a) (1) (i) Except as provided in subparagraph (ii) of this paragraph, each board consists of 3 regular members and 1 alternate member.

(ii) In Anne Arundel County, Baltimore City, Baltimore County, Montgomery County, and Prince George's County, each board consists of 3 regular members and 3 alternate members.

(2) The Governor shall appoint the members from a list of names submitted as follows:

(i) for Baltimore City, by the Mayor of Baltimore City; or

(ii) for a county other than Baltimore City, by:

1. the county commissioners or the county council of the county; or

2. if the county charter provides for a county executive, by the county executive with the approval of the county council.

(3) The number of names on each list shall be 3 times the number of vacancies.

(4) Each list shall be submitted at least 3 months before the end of a term.

(b) Before taking office, each appointee to the board shall take the oath required by Article I, § 9 of the Maryland Constitution.

(c) (1) The term of a member is 5 years. The term ends on June 1 of the appropriate year.

(2) The terms of members are staggered as required by the terms provided for members of the board on July 1, 1985.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(5) An alternate member fills a vacancy of a regular member until the vacancy is permanently filled. However, if an alternate member is appointed by the Governor as the regular member, the Governor shall appoint a new alternate member.

(6) The board chairman or the Administrator may ask an alternate member to serve on the board during the temporary absence of a regular member. However, an alternate may not serve on the board when the 3 regular members are present.

(d) (1) The Governor may remove a member only for incompetence, malfeasance, conduct unbecoming a board member, or inability or failure to perform the duties of the office on a regular basis.

(2) After giving a member notice and an opportunity for a hearing, the Mayor of Baltimore City, the county commissioners or the county council of the county, or if the county charter provides for a county executive, the county executive

with the approval of the county council, may recommend the removal of the member by the Governor for the grounds listed in paragraph (1) of this subsection.

§3–104.

From among the regular members of each board, the Governor shall appoint a chairman for each board.

§3–105.

(a) Two members of a board are a quorum to do business.

(b) (1) The board shall issue an order that sets forth its determination of any matter brought before it. Two members of a board shall sign the order.

(2) The order shall be filed with the clerk of the board.

(c) Each member of a board is entitled to:

(1) compensation at an hourly rate as provided in the State budget; and

(2) reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(d) With the approval of the Administrator, each board may employ a staff in accordance with the State budget.

§3–106.

(a) A member is subject to the Maryland Public Ethics Law.

(b) Except as otherwise authorized by law, a member or staff of the board may not divulge information specified in § 14-201 of this article.

§3–107.

(a) Each board has jurisdiction in its county over appeals concerning:

(1) real property values and assessments;

(2) credits for elderly or disabled renters under § 9-102 of this article;

(3) credits for homeowners under §§ 9-104 and 9-105 of this article;

(4) credits for elderly or disabled homeowners under § 9-101 of this article;

(5) credits authorized under § 9-222 of this article for real property leased to a religious group or religious organization;

(6) the value of easements under § 2-511 of the Agriculture Article; or

(7) the rejection of an application for a property tax exemption as provided by § 7-103 and Title 14, Subtitle 5 of this article.

(b) (1) A board may not decrease the amount of an assessment after the date of finality for any year unless an appeal of the assessment is filed before the date of finality.

(2) Between general reviews of an assessment in a district, a board may not decrease an assessment in the district unless the board notifies and consults with the supervisor for the district before decreasing the assessment. If a board decreases an assessment between general reviews without first notifying and consulting with the supervisor the decrease is void.

§3–108.

(a) With the advice and consent of the Senate, the Governor shall appoint an Administrator of the boards for a term of 6 years.

(b) The Administrator is entitled to the salary and necessary assistance as provided in the State budget.

(c) In addition to the powers and duties set forth elsewhere in this article, the Administrator shall:

(1) prepare and provide notices and reports required of boards including uniform forms, order blanks, and statements advising taxpayers of their right to appeal;

(2) keep a record of complaints about the conduct or fitness of members; and

(3) forward to the appropriate county officials listed in § 3–103(d)(2) of this title complaints that would justify removal of a member.

(d) (1) Subject to Title 10, Subtitles 1 and 2 of the State Government Article, the Administrator shall:

(i) adopt uniform regulations to govern the activities of the boards; and

(ii) ensure that the regulations are applied consistently.

(2) After adoption, regulations shall be filed with the Maryland Tax Court and Supreme Court of Maryland.

§4–101.

(a) There is a collector for each county in the State.

(b) Except as otherwise provided by law, for each county, the governing body of the county shall appoint a collector on or before January 1 of each year.

(c) Before taking office, each collector shall take the oath required by Article I, § 9 of the Maryland Constitution.

(d) (1) A collector is entitled to the compensation provided in the county budget.

(2) A collector may not receive separate compensation from the State for collecting State taxes.

§4–102.

(a) For the collection of the State property tax, a collector shall be bonded as required by the Comptroller. The cost of the bond shall be paid by the State.

(b) For the collection of the county property tax, a collector shall be bonded as required by the county. The cost of the bond shall be paid by the county.

§4–201.

(a) Each collector shall collect:

(1) for property listed on the tax roll, the State and county taxes that are due and any interest, penalties, and service charges on the property tax that are due; and

(2) any tax on personal property imposed by § 10-210 of this article.

(b) Except as otherwise provided by law, on request of a municipal corporation or special taxing district, a collector may collect municipal corporation or special taxing district taxes.

(c) Except as otherwise provided by law, the collector shall remit the taxes collected during any month, and interest, penalties, or service charges on the taxes collected:

(1) for the county, to the appropriate county official on or before the 10th day of the following month;

(2) for a municipal corporation, to the appropriate municipal corporation official; and

(3) for a special district, to the appropriate officer of the district.

§4–201.1.

(a) In this section, "Program" means the Homeowner Protection Program established under Title 14, Subtitle 8, Part VII of this article.

(b) Each collector shall include with each property tax bill a separate insert that:

(1) includes a concise description of the assistance the Program provides to prevent low–income, elderly, and disabled homeowners from losing their homes to tax sale foreclosure;

(2) may include testimony from participants in the Program; and

(3) shall encourage taxpayers to make a voluntary donation to the Program through the website maintained by the Department under subsection (c) of this section.

(c) The Department shall:

(1) maintain a website that any person may use to make a voluntary one–time or recurring electronic donation to the Program; and

(2) credit donations received through the website to the Homeowner Protection Fund established under § 14–891 of this article.

(d) The State Tax Sale Ombudsman shall design the separate insert required under subsection (b) of this section and provide the insert to each collector.

§4–202.

(a) The collector for each county shall:

(1) deposit State taxes, and any interest, penalty, or service charges on the taxes, collected at the intervals and in the manner designated by the Comptroller; and

(2) on or before the 10th day of each month, submit a report to the Comptroller of State taxes, and any interest, penalty, or service charges on the taxes, collected during the prior month.

(b) A violation of this section by a collector is subject to the penalties in §§ 14-1015 and 14-1016 of this article.

§4–301.

At any time, the Comptroller, the State Treasurer, or an individual designated in writing by either of them, may examine a collector's records on State taxes.

§4–401.

(a) The governing body of a county, the chief administrative officer in Montgomery County, or the supervisor in Baltimore City for any local taxes that are due, shall make allowances for:

(1) insolvencies or removals as to personal property;

(2) refunds made under law; or

(3) decreasing or abating assessments under § 8-419 of this article.

(b) On certificates by the governing body of a county, the chief administrative officer in Montgomery County, or the supervisor in Baltimore City, the Comptroller, for any State taxes that are due, shall make allowances for:

(1) insolvencies and removals as to personal property;

(2) refunds made under law; or

(3) decreasing or abating of assessments under § 8-419 of this article.

§4–402.

If a collector fails to remit taxes or the interest, penalty, and service charges on the taxes, to the State or the county as provided under this title, the collector shall be charged interest at the rate of 6% a year on all taxes, interest, penalties, and service charges not paid to the State or county from the time they are due.

§4–403.

(a) In addition to any other remedy, if a collector fails to remit taxes as provided by §§ 4-201 and 4-202 of this title, the Comptroller may request the Attorney General to file suit against the collector and the bond of the collector.

(b) If suit is brought by the State, a county, or a municipal corporation as provided in subsection (a) of this section, the collector or surety has the right to a jury trial.

§5–101.

(a) For property tax purposes, the owner of a life estate, or other particular freehold estate, or term of years perpetually renewable in property is deemed the owner of the property and is liable for property tax on the property.

(b) (1) In this subsection, "person in possession or control of property" includes a lessee, custodian, consignee, or bailee.

(2) Except as provided in paragraph (3) of this subsection, for property tax purposes, the Department may determine by regulation if a person in possession or control of property is to be deemed the owner of the property by the Department.

(3) If a person in possession or control of property is deemed the owner under the Department's regulations and if the property is assessed separately from other property of the person, a collector may collect property tax from:

(i) the owner of the property; or

(ii) the person who is deemed the owner of the property.

(c) Except as provided by agreement, a person who is deemed the owner of property and who pays property tax:

(1) has a right to indemnity from the owner for the tax paid; and

(2) for tangible personal property, has a lien on the property for property tax while the property is in the possession or control of the person.

§5–102.

(a) Real property is subject to assessment and taxation in the State, the county, and, if applicable, municipal corporation or special tax district where the real property is situated.

(b) (1) Except as provided in paragraph (2) of this subsection, subsection (c) of this section, and for operating property in § 6-103 of this article, tangible personal property located in the State is subject to assessment and taxation in the county and, if applicable, municipal corporation where the tangible personal property is permanently located.

(2) If tangible personal property located in the State is not permanently located in any county, it is subject to assessment and taxation where the owner resides.

(c) The stock in business of a manufacturing or commercial business is subject to assessment and taxation in the county and, if applicable, municipal corporation where the business is carried on.

(d) If trustees of personal property include trustees who are nonresidents of the State, the property shall be treated as held by a resident of the State in the same proportion that the number of trustees who are residents of the State bears to the total number of trustees. The remainder of the property shall be treated as held by a nonresident of the State.

§5–103.

The person responsible for issuing building permits shall immediately after issuing a building permit submit a copy of the building permit and the estimated cost of construction to the supervisor of the county where the building is located.

§6–101.

(a) (1) Except as otherwise provided in this article, all property located in this State is subject to assessment and property tax and is taxable to the owner of the property.

(2) Property subject to assessment and tax under this article includes property owned or leased by the United States or any agency or department of the

United States, to the fullest extent possible under the Constitution of the United States and the laws of the United States.

(b) Intangible personal property is not subject to assessment and property tax.

§6–102.

(a) Except as otherwise provided in this section, a leasehold or other limited interest in property is not subject to property tax.

(b) An interest of a life tenant or the owner of any other freehold estate in property is subject to property tax as though the person in possession or the user of the property were the owner of the property.

(c) An interest of the mortgagor, pledgor, or conditional sale buyer in personal property is subject to property tax as though the person in possession or the user of the personal property were the owner of the personal property.

(d) The following interests in real property are subject to property tax as though the person in possession or the user of the property were the owner of the property:

(1) an interest of a tenant under a 99-year lease, whether or not the lease is renewable;

(2) an interest of a tenant under a lease for less than 99 years, if the lease is perpetually renewable; and

(3) an interest of a mortgagor or grantor under a deed of trust.

(e) Unless exempted under § 7–211, § 7–211.1, § 7–244, § 7–246, or § 7–501 of this article, the interest or privilege of a person in property that is owned by the federal government, the State, a county, a municipal corporation, or an agency or instrumentality of the federal government, the State, a county, or a municipal corporation is subject to property tax as though the lessee or the user of the property were the owner of the property, if the property is leased or otherwise made available to that person:

(1) by the federal government, the State, a county, a municipal corporation, or an agency or instrumentality of the federal government, the State, a county, or a municipal corporation; and

(2) with the privilege to use the property in connection with a business that is conducted for profit.

§6–103.

Operating property of a railroad or public utility located in the State is subject to property tax.

§6–104.

Except as otherwise provided in §§ 7-222 and 7-226 of this article, any stock in business of a person who engages in a manufacturing or commercial business in the State is subject to property tax.

§6–201.

(a) Except as otherwise provided in this article, the State may impose State property tax on the assessment of property that is subject to the State property tax.

(b) The Mayor and City Council of Baltimore City or the governing body of a county is not required to pass any law to incorporate the State property tax in the property tax bill or to collect the State property tax.

§6–202.

The Mayor and City Council of Baltimore City or the governing body of a county may impose property tax on the assessment of property that is subject to that county's property tax.

§6–202.1.

The Mayor and City Council of Baltimore City or the governing body of a county may establish, by law, a subclass of real property consisting of vacant lots or improved property cited as vacant and unfit for habitation or other authorized use on a housing or building violation notice.

§6–203.

(a) Except as otherwise provided in this article, the governing body of a municipal corporation may impose municipal corporation property tax on those classes of property that it selects to be subject to municipal corporation property tax.

(b) The municipal corporation property tax is imposed only on assessments made under Title 8 of this article.

§6–204.

Except as otherwise provided by this article, property tax is imposed for the taxable year.

§6–301.

(a) Except as provided in subsection (b) of this section, the Board of Public Works annually shall set the rates for State property tax for the next taxable year as authorized by the General Assembly.

(b) (1) Intangible personal property is subject to State property tax as otherwise provided in this title at the rate set annually by the Board of Public Works under subsection (a) of this section, if:

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

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

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

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

(2) The State property tax rate for the intangible personal property may not exceed 15 cents for each $100 of an assessment.

§6–302.

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

(b) (1) Except as provided in subsection (c) of this section and §§ 6–305 and 6–306 of this subtitle:

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

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

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

(c) (1) The Mayor and City Council of Baltimore City or the governing body of a county may set a special rate for a vacant lot or improved property cited as vacant and unfit for habitation or other authorized use on a housing or building violation notice.

(2) On or before December 1 each year, the Mayor and City Council of Baltimore City or the governing body of a county that enacts a special rate under paragraph (1) of this subsection shall report to the Department of Housing and Community Development and, in accordance with § 2–1257 of the State Government Article, to the General Assembly on:

(i) the special rate set under paragraph (1) of this subsection;

(ii) the number of properties to which the special rate applies;

(iii) the revenue change resulting from the special rate;

(iv) the use of the revenue from the special rate; and

(v) whether properties subject to the special rate are viable for adaptive reuse, as defined in § 1–102 of the Housing and Community Development Article, and plans to convert viable properties.

§6–303.

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

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

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

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

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

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

(i) there shall be a single municipal corporation property tax rate for all real property subject to municipal corporation property tax except for operating real property described in § 8-109(c) of this article; and

(ii) the municipal tax rate applicable to personal property and the operating real property described in § 8-109(c) of this article for taxable years beginning after June 30, 2001 shall be 2.5 times the rate for real property.

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

§6–304.

If a special rate of county or municipal corporation property tax is provided by this subtitle, that rate may be applied to the appropriate assessment of property without the Mayor and City Council of Baltimore City or the governing body of the county or of the municipal corporation passing a law to set that rate.

§6–305.

(a) In this section, "tax setoff" means:

(1) the difference between the general county property tax rate and the property tax rate that is set for assessments of property in a municipal corporation; or

(2) a payment to a municipal corporation to aid the municipal corporation in funding services or programs that are similar to county services or programs.

(b) This section applies only in:

(1) Allegany County;

(2) Anne Arundel County;

(3) Baltimore County;

(4) Garrett County;

(5) Harford County;

(6) Howard County;

(7) Montgomery County; and

(8) Prince George's County.

(c) The governing body of the county shall meet and discuss with the governing body of any municipal corporation in the county the county property tax rate to be set for assessments of property in the municipal corporation as provided in this section. After the meeting if it can be demonstrated that a municipal corporation performs services or programs instead of similar county services or programs, the governing body of the county shall grant a tax setoff to the municipal corporation.

(d) In determining the county property tax rate to be set for assessments of property in a municipal corporation, the governing body of the county shall consider:

(1) the services and programs that are performed by the municipal corporation instead of similar county services and programs; and

(2) the extent that the similar services and programs are funded by property tax revenues.

(e) The county property tax rate for assessments of property located in a municipal corporation is not required to be:

(1) the same as the rate for property located in other municipal corporations in the county; or

(2) the same as the rate set in a prior year.

(f) (1) At least 180 days before the date that the annual county budget is required to be approved, any municipal corporation in the county that desires that

a tax setoff be provided shall submit to the county a proposal that states the desired level of property tax setoff for the next fiscal year.

(2) (i) A request submitted under paragraph (1) of this subsection shall be accompanied by:

1. a description of the scope and nature of the services or programs provided by the municipal corporation instead of similar services or programs provided by the county; and

2. financial records and other documentation regarding municipal revenues and expenditures.

(ii) The materials submitted under subparagraph (i) of this paragraph shall provide sufficient detail for an assessment of the similar services or programs.

(3) After receiving a proposal from a municipal corporation requesting a tax setoff under this subsection, the governing body of the county shall promptly submit to the municipal corporation financial records and other documentation regarding county revenues and expenditures.

(g) (1) At least 90 days before the date that the annual county budget is required to be approved, the county and any municipal corporation submitting a tax setoff request under subsection (f) of this section shall designate appropriate policy and fiscal officers or representatives to meet and discuss the nature of the tax setoff request, relevant financial information of the county and municipal corporation, and the scope and nature of services provided by both entities.

(2) A meeting held under paragraph (1) of this subsection may be held by the county representatives jointly with representatives from more than one municipal corporation.

(3) (i) The county officers or representatives may request from the municipal corporation officers or representatives additional information that may reasonably be needed to assess the tax setoff.

(ii) The municipal corporation officers or representatives shall provide the additional information expeditiously.

(h) (1) At or before the time the proposed county budget is released to the public, the county commissioners, the county executive of a charter county, or the county council of a charter county without a county executive shall submit a statement of intent to each municipal corporation that has requested a tax setoff.

(2) The statement of intent shall contain:

(i) an explanation of the level of the proposed tax setoff;

(ii) a description of the information or process used to determine the level of the proposed tax setoff; and

(iii) an indication that, before the budget is enacted, appropriate officials or representatives of the municipal corporation are entitled to appear before the county governing body to discuss or contest the level of the proposed tax setoff.

(i) Representatives of each municipal corporation in the county requesting a tax setoff shall be afforded an opportunity to testify before the county governing body during normally scheduled hearings on the county's proposed budget.

(j) Notwithstanding the provisions of subsections (d), (f), and (g) of this section:

(1) a county and one or more municipal corporations may enter into an agreement setting different terms or timing for negotiations, calculations, or approval of a tax setoff; and

(2) a county may grant a tax setoff to a municipal corporation that does not make a request in the fashion described in this section.

(k) (1) On or before October 31 each year, the governing body of Prince George's County shall complete a report that includes:

(i) the amount of the tax setoff granted to each municipal corporation in the current fiscal year;

(ii) in the form provided by each municipal corporation, a detailed description of the scope and nature of the individual services or programs provided by each municipal corporation instead of similar services or programs provided by the county; and

(iii) a detailed description of the methodology used by the county to determine the amount of the tax setoffs, including any formulas.

(2) Notwithstanding any other provision of law, the report required under this subsection shall be:

(i) available to municipal corporations in Prince George's County on request; and

(ii) submitted to the Prince George's County House Delegation and the Prince George's County Senators.

§6–305.1.

(a) In this section, "tax setoff" means:

(1) the difference between the general county property tax rate and the property tax rate that is set for assessments of property in a municipal corporation; or

(2) a payment to a municipal corporation to aid the municipal corporation in funding services or programs that are similar to county services or programs.

(b) (1) The governing body of Frederick County shall annually meet and discuss with the governing body of each municipal corporation in the county the county property tax rate to be set for assessments of property in the municipal corporation.

(2) (i) After the meeting if it can be demonstrated that a municipal corporation performs services or programs instead of similar county services or programs, the governing body of Frederick County shall grant a tax setoff to the municipal corporation in accordance with a formula agreed to by the county and the municipal corporation.

(ii) If the governing body of Frederick County and the governing body of a municipal corporation fail to reach an agreement concerning the formula by which a tax setoff is to be calculated, the governing body of Frederick County shall grant a tax setoff in accordance with the formula used during the preceding taxable year.

(3) Frederick County and a municipal corporation shall agree to phase in over a period of 3 to 5 years, beginning on July 1, 2016, any increase in the level of a tax setoff above the level of the tax setoff granted in the fiscal year beginning July 1, 2015, if the increase is attributable to the funding of new services or programs.

§6–306.

(a) In this section, "tax setoff" means:

(1) the difference between the general county property tax rate and the property tax rate that is set for assessments of property in a municipal corporation; or

(2) a payment to a municipal corporation to aid the municipal corporation in funding services or programs that are similar to county services or programs.

(b) This section applies to any county not listed in § 6-305 of this subtitle.

(c) The governing body of the county shall meet and discuss with the governing body of any municipal corporation in the county the county property tax rate to be set for assessments of property in the municipal corporation as provided in this section. After the meeting if a municipal corporation performs services or programs instead of similar county services or programs, the governing body of the county may grant a tax setoff to the municipal corporation.

(d) In determining the county property tax rate to be set for assessments of property in a municipal corporation, the governing body of the county may consider:

(1) the services and programs that are performed by the municipal corporation instead of similar county services and programs; and

(2) the extent that the similar services and programs are funded by property tax revenues.

(e) The county property tax rate for assessments of property located in a municipal corporation is not required to be:

(1) the same as the rate for property located in other municipal corporations in the county; or

(2) the same as the rate set in a prior year.

(f) (1) At least 180 days before the date that the annual county budget is required to be approved, any municipal corporation in the county that desires that a tax setoff be provided shall submit to the county a proposal that states the desired level of property tax setoff for the next fiscal year.

(2) (i) A request submitted under paragraph (1) of this subsection shall be accompanied by:

1. a description of the scope and nature of the services or programs provided by the municipal corporation instead of similar services or programs provided by the county; and

2. financial records and other documentation regarding municipal revenues and expenditures.

(ii) The materials submitted under subparagraph (i) of this paragraph shall provide sufficient detail for an assessment of the similar services or programs.

(3) After receiving a proposal from a municipal corporation requesting a tax setoff under this subsection, the governing body of the county shall promptly submit to the municipal corporation financial records and other documentation regarding county revenues and expenditures.

(g) (1) At least 90 days before the date that the annual county budget is required to be approved, the county and any municipal corporation submitting a tax setoff request under subsection (f) of this section shall designate appropriate policy and fiscal officers or representatives to meet and discuss the nature of the tax setoff request, relevant financial information of the county and municipal corporation, and the scope and nature of services provided by both entities.

(2) A meeting held under paragraph (i) of this subsection may be held by the county representatives jointly with representatives from more than one municipal corporation.

(3) (i) The county officers or representatives may request from the municipal corporation officers or representatives additional information that may reasonably be needed to assess the tax setoff.

(ii) The municipal corporation officers or representatives shall provide the additional information expeditiously.

(h) (1) At or before the time the proposed county budget is released to the public, the county commissioners, the county executive of a charter county, or the county council of a charter county without a county executive shall submit a statement of intent to each municipal corporation that has requested a tax setoff.

(2) The statement of intent shall contain:

(i) an explanation of the level of the proposed tax setoff;

(ii) a description of the information or process used to determine the level of the proposed tax setoff; and

(iii) an indication that, before the budget is enacted, appropriate officials or representatives of the municipal corporation are entitled to appear before the county governing body to discuss or contest the level of the proposed tax setoff.

(i) Representatives of each municipal corporation in the county requesting a tax setoff shall be afforded an opportunity to testify before the county governing body during normally scheduled hearings on the county's proposed budget.

(j) Notwithstanding the provisions of subsections (d), (f), and (g) of this section:

(1) a county and one or more municipal corporations may enter into an agreement setting different terms or timing for negotiations, calculations, or approval of a tax setoff; and

(2) a county may grant a tax setoff to a municipal corporation that does not make a request in the fashion described in this section.

§6–307.

The governing body of Anne Arundel County or of Howard County may not impose a county property tax on property of a resident of a municipal corporation for any service that the municipal corporation provides for the resident.

§6–308.

(a) In this section, "taxing authority" means:

(1) the county council or board of county commissioners;

(2) the City Council of Baltimore City; and

(3) the governing body of a municipal corporation.

(b) (1) Unless the requirements of this section are met, a taxing authority may not set a county or municipal corporation real property tax rate that exceeds the current taxable year's real property tax rate.

(2) A taxing authority does not meet the requirements of this section until it provides to the Department evidence of the notices described in subsection (c) of this section.

(c) If a taxing authority intends to increase the county or municipal corporation real property tax rate, it shall advertise to the public by:

(1) placing a public notice in a newspaper of general circulation in the jurisdiction of the taxing authority; and

(2) (i) publishing a copy of the notice on the website of the taxing authority; or

(ii) if the taxing authority does not have a website, posting a copy of the notice in a place that is easily accessible to the public.

(d) If the taxing authority intends to set a real property tax rate that exceeds the current taxable year's real property tax rate, the notice shall be in the following form:

"..... (NAME OF JURISDICTION) NOTICE OF A PROPOSED REAL PROPERTY TAX RATE INCREASE

For the taxable year beginning July 1,....., the ..... (name of taxing authority) of ..... (name of jurisdiction) proposes to increase real property tax rates from $..... per $100 of assessment to $..... per $100 of assessment.

A public hearing on the proposed real property tax rate increase will be held at..... (time) on..... (date) at..... (location). The hearing is open to the public, and public testimony is encouraged. Persons with questions regarding this hearing may call..... (phone number) for further information.".

(e) (1) The meeting on the proposed county or municipal corporation real property tax rate increase shall be held:

(i) on or after the 7th day and on or before the 21st day after the notice is published as required by subsection (c) of this section; and

(ii) on or before June 17th before the date required by law for imposition of the real property tax.

(2) The meeting may coincide with the meeting on the proposed budget of the taxing authority.

(3) In computing periods of time under this subsection all calendar days shall be counted including Saturdays, Sundays, and holidays.

(f) After the meeting, the taxing authority may adopt by law an increase in the county or municipal corporation real property tax rate:

(1) on the day of the meeting; or

(2) on a later day, if the day, time, and location to consider the increase are announced at that meeting.

(g) (1) Annually, a county shall include on the face of a real property tax bill:

(i) the county real property tax rate for the current taxable year and the county real property tax rate for the immediately preceding taxable year; and

(ii) the amount, if any, by which the county real property tax rate for the current taxable year exceeds the county real property tax rate for the immediately preceding taxable year.

(2) If the total real property tax rate for the current taxable year, including the State and county rates and any municipal or special rates, does not exceed the total real property tax rate for the immediately preceding taxable year, the county shall include with the real property tax bill a notice that any increase in the total amount of property tax owed, exclusive of any fees included on the property tax bill, in the current taxable year compared to the previous taxable year is due to an increase in the taxable assessed value of the property.

(h) A taxing authority that in good faith has made all reasonable efforts to comply with the requirements of subsections (b) through (f) of this section and provides satisfactory evidence to the Department that any lack of compliance with the requirements was for reasons beyond the taxing authority's control:

(1) is deemed to have complied with the requirements; and

(2) may set a real property tax rate that exceeds the tax rate for the current taxable year.

(i) (1) The Director shall report to the Attorney General any taxing authority that appears to have violated the requirements of this section.

(2) (i) The Attorney General shall investigate the report forwarded by the Director.

(ii) If the Attorney General finds that a taxing authority violated the requirements of this section, the Attorney General shall institute appropriate legal action to effect compliance with the requirements of this section.

(3) If a court finds that a taxing authority violated this section, the real property tax rate of that taxing authority shall be the same as the tax rate for the current taxable year.

§6–401.

(a) Except as otherwise provided in this article, to determine the amount of State, county, or municipal corporation property tax that is due, the assessment of the property is multiplied by the applicable rate.

(b) The applicable tax rate or rates are expressed in dollars and cents or fraction thereof for each $100 of assessment.

§6.5–101.

(a) In this title the following words have the meanings indicated.

(b) "Forest land" has the meaning stated in § 5–101 of the Natural Resources Article.

(c) "State forest" means forest land owned or leased by the Department of Natural Resources.

(d) "State park" means a park owned by the State that is promoted, administered, or managed by the Department of Natural Resources.

(e) "Wildlife management area" means land acquired and used by the State in accordance with Title 10, Subtitle 8 of the Natural Resources Article.

§6.5–102.

This title applies to counties that have:

(1) at least 65,000 acres of State forests, State parks, and wildlife management areas that are exempt from the property tax under § 7–210 of this article; or

(2) (i) at least 40,000 acres of State forests, State parks, and wildlife management areas that are exempt from the property tax under § 7–210 of this article; and

(ii) a county real property tax rate of at least $1.00 for each $100 of assessment.

§6.5–201.

(a) Beginning in fiscal year 2019 and each fiscal year thereafter, the State shall pay to each county an amount equal to the county property tax rate multiplied by the assessed value, as determined by the Department, of the State forests, State parks, and wildlife management areas in the county that are exempt from the property tax under § 7–210 of this article.

(b) (1) Except as provided in paragraph (2) of this subsection, land that is part of a State forest, State park, or wildlife management area at any time during a fiscal year and exempt from the property tax under § 7–210 of this article shall be included when calculating the amount that the State shall pay a county under subsection (a) of this section.

(2) The following may not be included when calculating the amount that the State shall pay a county under subsection (a) of this section:

(i) property that is subject to property tax under § 6–102 of this article;

(ii) property that is exempt from property tax in accordance with § 7–501 of this article;

(iii) State property for which a payment in lieu of tax agreement is in effect under § 7–211(c) or § 7–501 of this article; or

(iv) the portion of Deep Creek Lake State Park that is attributable to payments required under § 5–215 of the Natural Resources Article.

§6.5–202.

(a) On or before December 1 each year, the Department, in consultation with the Secretary of Natural Resources, shall certify to the Governor and the Secretary of Budget and Management:

(1) the assessed value of all State forests, State parks, and wildlife management areas in each county that are exempt from the property tax under § 7–210 of this article, as determined under § 6.5–201 of this subtitle; and

(2) the total amount to be paid by the State to each county as determined under § 6.5–201 of this subtitle.

(b) On or before October 1, January 1, April 1, and June 1 each fiscal year, the State shall pay 25% of the amount certified under subsection (a) of this section to each county.

§6.5–301.

(a) In this section, "local tax" means a tax imposed by a county or municipal corporation.

(b) This title may not be construed to prohibit the application of or collection of a local tax on the extraction of natural resources.

§7–101.

Property tax exemptions provided under this title shall be strictly construed.

§7–102.

Unless otherwise provided in the law establishing the exemption, when any property is exempted by law from property tax, the exemption is effective on the next date of finality after the effective date of the law.

§7–103.

(a) Real property that is subject to exemption from property tax by Subtitle 2 of this title is not exempted until the exemption has been applied for and approved under this section.

(b) (1) A person claiming an exemption shall apply to the supervisor of the county where the real property is located on the form that the Department requires.

(2) The application shall contain the information that the Department requires.

(c) The supervisor shall approve or reject each application for exemption under this section.

(d) If the exemption is approved, the supervisor shall enter:

(1) the real property exemption in the assessment records; and

(2) the real property on the list of exempt property.

(e) If an application is rejected, the supervisor shall notify the person claiming the exemption of:

(1) the reasons for rejection, as provided by § 8–402 of this article; and

(2) the right to a hearing and appeal as provided by Title 14, Subtitle 5 of this article.

(f) The Department and the supervisor shall periodically review the list of exempt property to determine whether any property does not meet the requirements of the law that provides for the exemption.

§7–104.

(a) Except as provided in subsection (c) of this section and in §§ 7–202 and 7–215 of this title, property tax on wholly exempt property shall be abated for the taxable year that follows the date on which the property became exempt.

(b) If an owner of property subject to an exemption on June 30 files an application for abatement on or before the following September 1 with the Department or the supervisor, the tax is abated for the taxable year.

(c) If property that is exempt from property tax is transferred to a person whose use of the property qualifies the property for an exemption from the date of transfer, then the property tax shall be abated from that date if the transferee:

(1) files an application under § 7–103 of this subtitle on or before September 1 of the following taxable year; or

(2) files an application under § 7–225 of this title within 6 months after receipt of the first assessment notice which includes the manufacturing personal property that is issued after the date of the transfer.

(d) If the owner of manufacturing personal property on January 1 files an application under § 7–225 of this title within 6 months after the date of the first assessment notice for a taxable year that includes the manufacturing personal

property and the application is approved, the exemption shall be granted for that taxable year that appears on the assessment notice.

(e) Except as otherwise provided in this article, when any property that was formerly exempt under § 7–202 or § 7–204 of this title is sold and the property is no longer entitled to an exemption, the property tax is payable for the remainder of the taxable year from the date of transfer.

§7–105.

(a) (1) Notwithstanding § 7-103 of this subtitle, when all or any part of property that will be entitled to abatement is acquired by the State, a county, or a municipal corporation for public purposes, the supervisor shall abate the property tax on the property acquired from the date of acquisition for the remainder of the taxable year in which the property was acquired.

(2) If, at the time of settlement for the property, the owner has paid the property tax for that taxable year, the settlement officer shall reimburse the seller for the part of the property tax that was paid for the remainder of the taxable year from the date of acquisition.

(3) At the time of settlement, the settlement officer shall retain from any available funds of or due to the seller sufficient money to pay any property tax due for the property to the date of acquisition. The retained funds are nonrefundable.

(b) Except as otherwise provided in this article, when any property that was formerly exempt for public purposes is sold and the property is no longer entitled to the exemption, the property tax is payable for the remainder of the taxable year from the date of sale.

§7–106.

(a) Except for real property owned by the federal government, real property that is exempt by law from the property tax shall be assessed under this article and in the manner required by the Director.

(b) The assessments of exempt real property shall be maintained in the records of the Department and of the supervisor in each county in which the exempt property is located.

(c) For the purpose of distributing State funds, the assessments of exempt property may not be included in the total assessment of all property.

§7–107.

Unless the public general law or public local law granting the exemption specifically refers to and modifies or supersedes this section, real property that is exempt by law enacted after July 1, 1967, from county or municipal corporation property tax is treated as taxable real property for the purpose of computing any payments of State aid to counties or municipal corporations that by law are based on the assessment of real property.

§7–108.

(a) The governing body of a county may reduce, by law, the percent of the assessment of any personal property that is subject to the county property tax under § 7-222 or § 7-225 of this title.

(b) A county that reduces or eliminates the percent of assessment of taxable personal property under subsection (a) of this section shall submit a copy of the law to the Department. If the Department receives a copy of the law on or before May 1, the change shall be effective for the taxable year following the date the law is enacted.

§7–109.

(a) The personal property described in §§ 7-222, 7-225, and 7-226 of this title is subject to the municipal corporation property tax unless exempted in full or in part by the governing body of the municipal corporation by law.

(b) If any personal property referred to in subsection (a) of this section is exempt from county property tax but is subject to municipal corporation property tax, the Department or the supervisor shall provide the municipal corporation with the assessment of the personal property.

(c) A municipal corporation that takes any action under subsection (a) of this section shall submit a report of its action to the Department. If the Department receives a copy of the law authorizing the action on or before May 1, the action shall be effective for the taxable year following the date the law is enacted.

§7–110.

A law that grants or authorizes a tax credit under Title 9 of this article may not be construed to affect the eligibility of any entity for a property tax exemption provided under this title.

§7–201.

(a) Except as otherwise provided in subsection (b) of this section, property owned by an individual or a religious group is not subject to property tax if the property is actually used exclusively to bury dead individuals.

(b) Property owned by a cemetery or mausoleum company is not subject to property tax, if:

(1) the property is actually used exclusively to bury dead individuals; and

(2) the cemetery or mausoleum company:

(i) is not organized for profit; and

(ii) uses its funds only to maintain or improve the property.

§7–202.

(a) In this section:

(1) "fraternal organization" means any organization that:

(i) is conducted solely for the benefit of its members and its beneficiaries;

(ii) is operated on a lodge system with a ritualistic activity; and

(iii) has a representative form of government;

(2) "fraternal organization" includes a sororal organization; and

(3) "fraternal organization" does not include:

(i) any college or high school fraternity or sorority; or

(ii) any other fraternal or sororal organization the membership of which is restricted wholly or largely to students or graduates of an educational institution or a professional school.

(b) (1) Except as provided in subsection (c) of this section and subject to § 7–204.1 of this subtitle, property is not subject to property tax if the property:

(i) is necessary for and actually used exclusively for a charitable or educational purpose to promote the general welfare of the people of the State, including an activity or an athletic program of an educational institution; and

(ii) is owned by:

1. a nonprofit hospital;

2. a nonprofit charitable, fraternal, educational, or literary organization including:

A. a public library that is authorized under Title 23 of the Education Article; and

B. a men's or women's club that is a nonpolitical and nonstock club;

3. a corporation, limited liability company, or trustee that holds the property for the sole benefit of an organization that qualifies for an exemption under this section; or

4. a nonprofit housing corporation.

(2) The exemption under paragraph (1)(ii)1 of this subsection includes any personal property initially leased by a nonprofit hospital for more than 1 year under a lease that is noncancellable except for cause.

(c) (1) This subsection does not apply to real property owned by a nonprofit charitable museum that:

(i) is open to the public; and

(ii) does not charge an admission fee.

(2) Except for a nonprofit hospital, not more than 100 acres of real property owned by an exempt organization and appurtenant to the premises of the exempt organization is exempt from property tax, if the property is located outside of a municipal corporation or Baltimore City.

(3) Not more than 100 acres of real property of a nonprofit hospital that is appurtenant to the hospital is exempt from property tax.

(d) (1) Notwithstanding § 7–104 of this title and after filing the application provided by § 7–103 of this title, property tax on any property that is

transferred to a nonprofit charitable organization is abated from the date during the taxable year when the instrument transferring title to the organization is recorded if:

(i) the property is transferred to a nonprofit charitable organization qualified under § 501(c)(3) of the Internal Revenue Code;

(ii) the property becomes exempt under this section;

(iii) the property has a value less than $300,000 as listed in the records of the Department on the date when the instrument transferring title to the organization is recorded; and

(iv) the nonprofit charitable organization provides the Department evidence of the property tax it actually paid or reimbursed at the property settlement.

(2) The amount of property tax abated under this subsection may not exceed the amount of property tax actually paid or reimbursed by an eligible organization at the property settlement.

§7–203.

Property is not subject to property tax if the property:

(1) is owned by the Chesapeake Bay Foundation, Inc.; and

(2) is used solely for:

(i) the environmental education of the public; or

(ii) the maintenance of:

1. a natural area for public use; or

2. a sanctuary for wildlife.

§7–204.

Subject to § 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:

(1) public religious worship;

(2) a parsonage or convent; or

(3) educational purposes.

§7–204.1.

(a) An organization that owns property in Baltimore City that is not subject to property tax as of June 1, 2014, under § 7–202 or § 7–204 of this subtitle shall submit an application to the Department in accordance with this section:

(1) beginning with April 1, 2016, on or before the earlier of April 1 of the year in which the property is assessed in accordance with the Department's 3–year cycle or April 1, 2017; and

(2) on or before April 1 of each subsequent year in which the property is assessed in accordance with the Department's 3–year cycle.

(b) The application shall:

(1) be made on the form that the Department provides;

(2) certify that each property owned by the organization in Baltimore City that is not subject to property tax is in current actual use for a tax–exempt purpose as enumerated in § 7–202 or § 7–204 of this subtitle; and

(3) include a statement by a representative of the organization under oath that the facts stated in the application are true, correct, and complete.

(c) A property subject to this section for which an application has not been filed on or before April 1 of a year in which an application is due under subsection (a) of this section shall be subject to property tax effective the following July 1.

(d) A property for which an application is filed after April 1 of a year in which an application is due under subsection (a) of this section is not subject to property tax effective:

(1) the next taxable year if the application is received on or after July 1 but on or before April 1; or

(2) the second following taxable year if the application is received after April 1 but before July 1.

(e) An organization that owns property subject to this section shall notify the Department and the Director of Finance of Baltimore City within 30 days after the property ceases to be used for a tax–exempt purpose as enumerated in § 7–202 or § 7–204 of this subtitle.

§7–204.2. IN EFFECT

// EFFECTIVE UNTIL DECEMBER 31, 2026 PER CHAPTERS 229 AND 230 OF 2023 //

(a) A person who applies for an exemption under § 7–202 or § 7–204 of this subtitle for real property in Baltimore City may request that the exemption be applied retroactively for a period of up to 3 taxable years, ending with the taxable year in which the application is filed.

(b) Subject to subsection (c) of this section and notwithstanding any other provision of this article:

(1) the Department shall grant an exemption for all eligible taxable years to a person who requests a retroactive exemption under this section; and

(2) Baltimore City and the State shall pay a refund to the person for any excess taxes paid due to a retroactive exemption granted under this section.

(c) A retroactive exemption granted by the Department under this section:

(1) is subject to the review and approval of the Baltimore City Solicitor and Baltimore City Department of Finance; and

(2) may be granted only on a showing of good cause as to why the exemption was not applied for in a timely manner.

(d) On or before December 1, 2023, and each December 1 through December 1, 2027, the Baltimore City Department of Finance shall submit to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly a report that indicates:

(1) the number of requests for a retroactive exemption under this section that the Baltimore City Department of Finance received and approved during the immediately preceding year; and

(2) any amounts refunded for a retroactive exemption under this section.

§7–205.

Property that is owned by any nonprofit community water corporation is not subject to property tax if the corporation:

(1) is owned by a majority of the lot owners in the area that the water system serves; and

(2) charges a rate that is sufficient only to pay for the cost of operating the system.

§7–206.

(a) In this section, "facility" means a continuing care facility for the aged that:

(1) provides continuing care as defined in § 10–401 of the Human Services Article;

(2) is licensed as a related institution under Title 19, Subtitle 3 of the Health – General Article;

(3) is certified by the Department of Aging; and

(4) is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code.

(b) Property that is not otherwise exempt from taxation under this section or § 7-202 of this subtitle is not subject to property tax if the property:

(1) is owned by a facility; and

(2) is used:

(i) exclusively for religious worship;

(ii) exclusively for administration or for providing nonprofit services and activities to residents, including that part of land reasonably allocable to providing the administration, activities, or services, but may not include independent living units; however, nothing in this paragraph affects those independent living units qualifying for exemption under § 7-202 of this subtitle; or

(iii) to provide nursing care, domiciliary care, or comprehensive care including:

1. the part of any central administrative or service facility that is reasonably allocable to the licensed health care part of the facility; or

2. the part of any land that is reasonably allocable to the licensed health care part of the facility.

§7–207.

(a) (1) In this section the following words have the meanings indicated.

(2) "Blind individual" means an individual who has a permanent impairment of both eyes that causes:

(i) central visual acuity, with corrective glasses, of 20/200 or less in the better eye; or

(ii) central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted so that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye.

(3) "Dwelling house":

(i) means real property that is:

1. the legal residence of a blind individual or a surviving spouse; and

2. occupied by not more than 2 families; and

(ii) includes the lot or curtilage, and structures necessary to use the real property as a residence.

(4) "Surviving spouse" means the surviving spouse of a blind individual, if the surviving spouse has not remarried.

(b) Except as provided in subsection (d) of this section, a dwelling house is exempt from property tax to the extent of $15,000 of its assessment if the dwelling house is owned by:

(1) a blind individual; or

(2) a surviving spouse.

(c) Except as provided in subsection (d) of this section, after a blind individual dies, the surviving spouse shall receive an exemption under this section, if the dwelling house was formerly exempt under this section.

(d) (1) Except as provided in paragraph (2) of this subsection, an exemption under this section shall be granted in addition to any other exemption authorized by law.

(2) An individual may receive an exemption under this section or under § 7-208 of this subtitle but not under both.

(e) An exemption under this section shall be prorated by the supervisor for any part of a taxable year that remains after the date in the year when the blind individual or surviving spouse applies for the exemption.

(f) (1) The governing body of a county or a municipal corporation may authorize, by law, a refund to a blind individual who receives an exemption under this section for any county or municipal corporation property tax paid in the taxable years in which an exemption was authorized but not granted.

(2) A county or municipal corporation may not authorize a refund for a surviving spouse.

§7–208.

(a) (1) In this section the following words have the meanings indicated.

(2) "Disabled active duty service member" means an individual in active service of the military, naval, or air service as defined in 38 U.S.C. § 101 who has a service connected physical disability that:

(i) is reasonably certain to continue for the life of the service member; and

(ii) was not caused or incurred by misconduct of the service member.

(3) (i) "Disabled veteran" means an individual who:

1. is honorably discharged or released under honorable circumstances from active military, naval, or air service as defined in 38 U.S.C. § 101; and

2. has been declared by the U.S. Department of Veterans Affairs to have a permanent 100% service connected disability that results from blindness or other disabling cause that:

A. is reasonably certain to continue for the life of the veteran; and

B. was not caused or incurred by misconduct of the veteran.

(ii) "Disabled veteran" includes an individual who qualifies posthumously for a 100% service connected disability.

(4) "Dwelling house":

(i) means real property that is:

1. the legal residence of a disabled active duty service member, disabled veteran, or surviving spouse; and

2. occupied by not more than 2 families; and

(ii) includes the lot or curtilage and structures necessary to use the real property as a residence.

(5) "Individual who died in the line of duty" means an individual who died while in the active military, naval, or air service of the United States as a result of an injury or disease that is deemed under 38 U.S.C. § 105 to have been incurred in the line of duty.

(6) "Surviving spouse" means an individual who has not remarried and who:

(i) is the surviving spouse of a disabled veteran;

(ii) is the surviving spouse of an individual who died in the line of duty; or

(iii) receives Dependency and Indemnity Compensation from the U.S. Department of Veterans Affairs.

(b) Except as provided in subsection (e) of this section, a dwelling house is exempt from property tax if:

(1) the dwelling house is owned by:

(i) a disabled active duty service member;

(ii) a disabled veteran;

(iii) a surviving spouse of an individual who died in the line of duty, if:

1. the dwelling house was owned by the individual at the time of the individual's death;

2. the dwelling house was acquired by the surviving spouse within 2 years of the individual's death, if the individual or the surviving spouse was domiciled in the State as of the date of the individual's death; or

3. the dwelling house was acquired after the surviving spouse qualified for exemption for a former dwelling house under item 1 or 2 of this item, to the extent of the previous exemption; or

(iv) a surviving spouse of a disabled veteran who meets the requirements of subsection (c) of this section; and

(2) the application requirements of subsection (d) of this section are met.

(c) Except as provided in subsections (d) and (e) of this section, after a disabled veteran dies, the surviving spouse of the disabled veteran shall receive a disabled veteran's property tax exemption:

(1) for the dwelling house that was formerly owned by the disabled veteran:

(i) if the dwelling house received an exemption under this section; and

(ii) if the surviving spouse owns and resides in the dwelling house;

(2) for the dwelling house that was formerly occupied by the disabled veteran:

(i) if the dwelling house did not receive an exemption under this section;

(ii) if the disabled veteran was domiciled in the State at death; and

(iii) if the surviving spouse owns and resides in the dwelling house; and

(3) for a dwelling house subsequently acquired by the surviving spouse, equal to the exemption for the former dwelling house when the dwelling house owned by the surviving spouse was transferred by the surviving spouse:

(i) if the surviving spouse owns and resides in the subsequently acquired dwelling house; and

(ii) if the surviving spouse has qualified under item (1) or (2) of this subsection.

(d) (1) A disabled veteran or a surviving spouse of a disabled veteran shall apply for an exemption under this section by providing to the supervisor:

(i) a copy of the disabled veteran's discharge certificate from active military, naval, or air service; and

(ii) 1. on the form provided by the Department, a certification of the disabled veteran's disability from the U.S. Department of Veterans Affairs; or

2. a rating decision of the disabled veteran's disability from the U.S. Department of Veterans Affairs that includes the effective date of the rating decision.

(2) The disabled veteran's certificate of disability or rating decision may not be inspected by individuals other than:

(i) the disabled veteran; or

(ii) appropriate employees of the State, a county, or a municipal corporation.

(3) A disabled active duty service member shall apply for an exemption under this section by providing to the supervisor, on the form provided by the Department, a certification of the service member's disability from a physician licensed to practice medicine in the State or from the U.S. Department of Veterans Affairs.

(4) A surviving spouse of an individual who died in the line of duty shall apply for an exemption under this section by providing to the supervisor certification that the individual died while in active service as a result of an injury or disease incurred in the line of duty.

(5) (i) An individual may submit, and the Department shall accept, an application for the exemption under this section for a specific dwelling house the individual intends to purchase before the individual purchases the dwelling house.

(ii) The Department, within 15 business days following receipt of an application submitted under subparagraph (i) of this paragraph, shall process the application and send the applicant a letter stating:

1. that the application is preliminarily approved or preliminarily denied; and

2. if the application is preliminarily approved, the amount of the tax exemption for the dwelling the individual intends to purchase.

(iii) An individual who is issued a letter preliminarily approving the exemption shall receive the exemption for the dwelling referenced in the letter after becoming the owner of the dwelling without having to file another application.

(e) (1) Except as provided in paragraph (2) of this subsection, an exemption under this section shall be granted in addition to any other exemption authorized by law.

(2) An individual may receive an exemption under this section or under § 7–207 of this subtitle but not under both.

(f) (1) An exemption under this section is prorated by the supervisor for any part of a taxable year that remains after the date in the year when the disabled active duty service member, disabled veteran, or surviving spouse applies for the exemption.

(2) (i) Notwithstanding any other provision of this article and except as provided in subparagraph (ii) of this paragraph, if a dwelling is transferred to a disabled active duty service member, disabled veteran, or surviving spouse who qualifies for an exemption under this section, the exemption applies and the property tax is abated from the date of settlement for the purchase of the property, if the

transferee applies for the exemption within 30 days after the settlement for the purchase of the property.

(ii) Notwithstanding § 7–104 of this title and for any taxable year beginning on or after July 1, 2018, the governing body of Montgomery County may authorize, by law, an abatement of any overdue property tax:

1. on a dwelling transferred to a disabled active duty service member, disabled veteran, or surviving spouse who applies for and qualifies for an exemption under this section; and

2. for which the transferee is liable.

(3) The Department shall adopt regulations to administer the provisions of paragraph (2)(i) of this subsection.

(g) (1) Subject to paragraphs (2) and (3) of this subsection, in the taxable years in which an exemption under this section was authorized but not granted, the State, a county, or a municipal corporation shall pay a refund to an individual described below who receives an exemption under this section:

(i) to a disabled active duty service member, disabled veteran, or surviving spouse for any State property tax paid;

(ii) to a disabled active duty service member, disabled veteran, or surviving spouse for any county property tax paid; or

(iii) to a disabled active duty service member or disabled veteran for any municipal corporation property tax paid.

(2) A disabled active duty service member or disabled veteran may apply for a refund of State, county, and municipal corporation property tax paid on the dwelling house while the exemption was available only if the disabled active duty service member or disabled veteran applies for the exemption during the 3–year period beginning with the calendar year in which the disabled active duty service member or disabled veteran initially became eligible for an exemption under this section.

(3) A surviving spouse may apply for a refund of State, county, and municipal corporation property tax paid on the dwelling house while the exemption was available, only if the surviving spouse applies for the exemption during the 3–year period beginning with the calendar year in which the surviving spouse initially became eligible for an exemption under this section.

(h) (1) For the purposes of subsections (f) and (g) of this section, the State, a county, or a municipal corporation shall pay to a disabled active duty service member, disabled veteran, or surviving spouse interest on the amount of a refund if:

(i) the disabled active duty service member, disabled veteran, or surviving spouse is eligible and has applied for the refund; and

(ii) the State, county, or municipal corporation fails to make the refund within 60 days after the eligible disabled active duty service member, disabled veteran, or surviving spouse has applied for the refund.

(2) If interest is payable under this subsection:

(i) the State shall pay interest at the rate the State charges on overdue taxes;

(ii) the county or municipal corporation shall pay interest at the rate the county or municipal corporation charges on overdue taxes; and

(iii) interest shall accrue from the date the refund application is filed with the State, county, or municipal corporation.

(i) Each county shall include information on the property tax bill about the availability of the property tax exemption for disabled active duty service members, disabled veterans, and surviving spouses authorized under this section.

§7–209.

(a) Property is not subject to property tax if the property:

(1) is owned by an incorporated, nonprofit fire company or rescue squad; and

(2) is necessary for and actually used exclusively for the purposes of the fire company or rescue squad, including property that:

(i) is used for:

1. training; or

2. fund raising at carnivals or bazaars;

(ii) is held in an advanced land acquisition program of the fire company or rescue squad;

(iii) is leased for not more than 60 days during any 12–month period, if:

1. the property is used for a purpose that is related to the purposes of the fire company or rescue squad; and

2. the rent that is received from the property is used exclusively for the purposes of the fire company or rescue squad;

(iv) is leased to any nonprofit organization, if:

1. the property is used for a purpose that is related to the purposes of the fire company or rescue squad; and

2. the rent that is received from the property is used exclusively for the purposes of the fire company or rescue squad; or

(v) is used as a residence for an individual who:

1. is responsible for taking care of property owned by the fire company or rescue squad;

2. is a member of the fire company or rescue squad;

3. is not an employee of the fire company or rescue squad; and

4. is not under an obligation to pay for the use of the property.

(b) The exemption under subsection (a) of this section applies in Baltimore County only if real property owned by an incorporated, nonprofit fire company or rescue squad located in Baltimore County:

(1) is actually used exclusively for the purposes of the fire company or rescue squad; or

(2) is not used for any purpose but will be actually used exclusively for the purposes of the fire company or rescue squad in the future.

§7–210.

(a) Except as otherwise provided in § 6-102 of this article and except as otherwise provided under this section, government-owned property is not subject to property tax, if the property:

(1) is devoted to a governmental use or purpose; and

(2) is owned by:

(i) the federal government;

(ii) the State;

(iii) a county or a municipal corporation; or

(iv) an agency or instrumentality of the federal government, the State, a county, or of a municipal corporation.

(b) The exemption provided for the property owned by an agency or instrumentality in subsection (a)(2)(iv) of this section applies only to the extent that a law exempts the property.

§7–211.

(a) (1) In this subsection, "national defense" includes homeland security.

(2) An interest of a person in personal property of the federal government or of the State is not subject to property tax if the person holds an interest in the property under a contract with the federal government or the State for:

(i) manufacturing, constructing, or assembling equipment, supplies, or component parts for national defense purposes; or

(ii) research or development for national defense purposes.

(3) An interest of a person in personal property or real property of the federal government or of the State is not subject to property tax if that property:

(i) is situated on land that is owned by the federal government and located within the defined boundaries of a military installation; and

(ii) is used for national defense purposes or for housing for military personnel and their families.

(b) (1) This subsection does not apply to:

(i) property owned by the Maryland-National Capital Park and Planning Commission in Prince George's County that is located in a public airport and is used for a restaurant concession; and

(ii) property owned by the Canal Place Preservation and Development Authority in Allegany County if:

1. the property is leased for a concession for a term of 10 years or more; or

2. the lessee has made a capital investment in the property or improvements on the property in excess of $500,000.

(2) An interest of a person in property of the federal government, the State, a county, or a municipal corporation is not subject to property tax, if the property is used for a concession that:

(i) is located in a public airport, park, market, or fairground; and

(ii) is available for use by the general public.

(c) (1) Except for an interest in federal enclave property as defined in § 7–211.3 of this subtitle, an interest of a person in any property of the federal government or the State is not subject to property tax, if the government that owns the property makes negotiated payments in lieu of tax payments.

(2) Land owned by the federal government that is the location for federal enclave property as defined in § 7–211.3 of this subtitle is not subject to property tax.

(d) (1) In this subsection, "port facility" includes at least 1 or a combination of:

(i) lands, piers, docks, wharves, warehouses, sheds, transit sheds, elevators, compressors, refrigeration storage plants, buildings, structures, and other facilities, appurtenances, and equipment that is useful or designed for use in connection with shipbuilding, ship repair, or the operation of a port;

(ii) every kind of terminal, storage structure, or facility that is useful or designed for use in handling, storing, loading, or unloading freight or passengers at marine terminals; and

(iii) every kind of transportation facility that is useful or designed for use in connection with any of these.

(2) An interest of a person in property in a port facility that is owned by the federal government or the State, any of their agencies or instrumentalities, or a county or municipal corporation is not subject to the property tax.

(e) An interest of a person in property in an international trade center as described in § 6-101(e)(4) of the Transportation Article, is not subject to property tax, if the State, or any agency or instrumentality of the State:

(1) owns the property; and

(2) makes negotiated payments in lieu of tax payments.

(f) An interest of a person in personal property in a vending facility operated under the Maryland Vending Program for the Blind is not subject to the property tax.

(g) (1) In this subsection, "public senior higher education institution" has the meaning stated in § 10-101 of the Education Article.

(2) An interest of a person in property of the State is not subject to property tax if the person holds an interest in the property under a lease agreement with the State to use the property to provide housing to students of public senior higher education institutions.

(3) A public senior higher education institution may negotiate a payment-in-lieu-of-taxes agreement with the municipal corporation or county in which the property specified in paragraph (2) of this subsection is located.

(h) (1) In this subsection, "bus passenger shelter" means:

(i) a bus passenger shelter as defined in § 8–750 of the Transportation Article; or

(ii) a shelter located at a designated transit bus stop on a campus of a public senior higher education institution as defined in § 10–101 of the Education Article.

(2) An interest of a person in property of the State, county, or a municipal corporation or any agency or instrumentality of the State, county, or a municipal corporation is not subject to property tax:

(i) if the person holds an interest in the property under an agreement with the State, county, or municipal corporation under § 8–751 or § 8–752 of the Transportation Article to operate a bus passenger shelter; or

(ii) if the person holds an interest in the property under an agreement with a public senior higher education institution to operate a bus passenger shelter.

(i) An interest of a person in personal property that is located on property owned by the State is not subject to property tax if the personal property is a crane used for cargo handling purposes.

§7–211.1.

Property is not subject to property tax if the property:

(1) is actually used exclusively for heating, cooling, or generation or distribution of electricity for property owned and occupied by the State; and

(2) was not subject to property taxation for the taxable year beginning July 1, 1996.

§7–211.2.

(a) In this section, "national defense" includes homeland security.

(b) Personal property or real property is not subject to property tax if the federal government holds at least a 50% interest in the property, or the entity that owns the property, and the property:

(1) is situated on land that is owned by the federal government and located within the defined boundaries of a military installation; and

(2) is used for national defense purposes or for housing for military personnel and their families.

§7–211.3.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Federal enclave property" means real property improvements or an interest in real property improvements:

1. that are located within the defined boundaries of federally owned land where:

A. the federal jurisdiction would preclude taxation by the State; and

B. the federal government has waived its immunity from State property taxation by law or other form of consent;

2. that are either:

A. owned by a person other than the federal government; or

B. held by a person that is taxable under § 6–102(e) of this article; and

3. that are not otherwise exempt under this title or any other provision of law.

(ii) "Federal enclave property" does not include any property owned by the United States Department of Veterans Affairs that is leased to a person through an enhanced use lease.

(3) "Local jurisdiction" means a county and, where appropriate, a municipal corporation in which federal enclave property is located.

(4) "Private developer" means a person, other than the federal government or an agency thereof, that owns federal enclave property or holds an interest or privilege under § 6–102(e) of this article in federal enclave property.

(b) (1) Subject to the provisions of this section and on initiation by the local jurisdiction where the federal enclave property is located, the local jurisdiction and the State may jointly enter into a payment in lieu of tax agreement with a private developer for federal enclave property.

(2) An agreement authorized under paragraph (1) of this subsection is not effective until it is approved by the federal government.

(3) (i) A local jurisdiction shall initiate any discussions to negotiate a payment in lieu of tax agreement with a private developer of federal enclave property no later than 30 days after receiving written notice by the private developer or the federal government that a development has been proposed for the federal enclave property.

(ii) When any discussions to negotiate a payment in lieu of tax agreement have commenced, the Maryland Department of Transportation shall notify the Legislative Policy Committee within 30 days.

(4) Federal enclave property is not subject to property tax if a private developer enters into a payment in lieu of tax agreement with the State and the local jurisdiction where the federal enclave property is located.

(5) The parties to an agreement under this subsection and the federal government shall consider the total impact and benefits of the development of the federal enclave property on the State and on local jurisdictions, including but not limited to:

(i) the impact on local and regional transportation;

(ii) future economic development;

(iii) the financial resources of the local jurisdiction;

(iv) the environment;

(v) natural resource allocation;

(vi) infrastructure capacity;

(vii) employment;

(viii) disadvantaged business enterprises, minority business enterprises, and small business enterprises;

(ix) the availability and use of public services;

(x) in–kind contributions related to the development, including the services, facilities, personal and real property, traffic mitigation, rights–of–way, and other assets and benefits of the federal government or the private developer made available to and used by the public; and

(xi) any other matter impacted by the development of the federal enclave property.

(6) (i) An agreement under this subsection shall be approved and signed by the Maryland Department of Transportation, on behalf of the State, any party responsible for making a required payment or fulfilling any other provision of

the agreement, and the governing body of the local jurisdiction where the federal enclave property is located.

(ii) The Maryland Department of Transportation shall seek consultation with any local jurisdiction impacted by the development of the federal enclave property.

(7) The private developer shall make a payment, if any, in lieu of property taxes to the county tax collector for the county where the federal enclave property is located in an amount and at a time determined by the agreement under this subsection.

(8) The payment required by an agreement under this subsection may not exceed the property tax that would otherwise be due to the State and local jurisdiction if the payment in lieu of tax agreement were not in effect.

(9) The payment received under paragraph (7) of this subsection shall be distributed by the tax collector in accordance with the agreement under this subsection to:

(i) a dedicated fund specifically designated in the agreement as a contribution to the cost of a specific public improvement associated with the development of the federal enclave property; or

(ii) the State, county, and, if applicable, municipal corporation where the federal enclave property is located in the ratio stated in the agreement.

(10) An agreement under this subsection may provide for abating or reducing property tax previously imposed on the federal enclave property.

(11) The Maryland Department of Transportation may adopt regulations to implement this section, in consultation with:

(i) the Department;

(ii) the Department of Commerce;

(iii) the Department of the Environment;

(iv) the Department of Housing and Community Development; and

(v) the Department of Planning.

§7–212.

Property is not subject to property tax if the property:

(1) is owned by the Gunpowder Youth Camps, Inc.; and

(2) is used exclusively as a nonprofit youth camp.

§7–214.

(a) Property is not subject to property tax if the property:

(1) is owned by a nonprofit historical society, museum, or academy, the purposes of which are solely to study the history of or to maintain and preserve historic homes, places, and personal property for the use and benefit of the public; and

(2) is actually used exclusively for the purposes of any of these organizations.

(b) Up to 15 acres of property is not subject to property tax if the property:

(1) is owned by a nonprofit organization for the purpose of maintaining a commemorative park or site for a monument to the veterans of the armed services of:

(i) the United States; or

(ii) the Confederate States of America; and

(2) is actually used exclusively for the purposes of these organizations.

§7–215.

(a) In this section, "authority" means an authority as defined in § 12-101 of the Housing and Community Development Article.

(b) Subject to subsection (c) of this section, the property of an authority is not subject to property tax.

(c) (1) An authority shall make a payment, if any, to the county and any municipal corporation that has a population of more than 1,000 in which any part of

the exempt property is located in an amount determined by agreement with the county and the municipal corporation.

(2) The payment may not be greater than the property tax that would have been payable without this section.

(d) Notwithstanding § 7-104 of this title and after filing the application provided by § 7-103 of this title, property tax on any property that becomes exempt under this section is abated from the date during the taxable year when the instrument transferring title to the authority was recorded.

§7–216.

Property is not subject to property tax if:

(1) the property is owned by the Izaak Walton League and is used solely for maintaining a natural area for public use, for a sanctuary, or for wildlife; or

(2) the property or any interest in the property is transferred by the Izaak Walton League and is used solely for maintaining a natural area for public use, or a sanctuary, or for wildlife.

§7–217.

(a) Except as provided in subsection (b) of this section, property is not subject to property tax if the property:

(1) is owned by the Maryland Ornithological Society, Inc.; and

(2) is used solely for:

(i) the maintenance of a natural area for public use;

(ii) a sanctuary for wildlife;

(iii) the environmental education of the public;

(iv) scientific research in ornithology; or

(v) the general management of wildlife.

(b) In Somerset County the property tax exemption applies only to State property tax.

§7–218.

Property is not subject to property tax if the property:

(1) is owned by the Nature Conservancy; and

(2) is used:

(i) to assist in the preservation of a wild nature area;

(ii) to establish a nature reserve or other protected area; or

(iii) generally to promote conservation.

§7–219.

The following agricultural products and commodities are not subject to valuation or to property tax:

(1) crops or the produce of any land in the possession of the producer or the agent of the producer;

(2) fish in the possession of persons catching, salting, or packing the fish or in the possession of agents until sold;

(3) poultry, including hatchery eggs;

(4) tobacco stored in the State tobacco warehouse; and

(5) regardless of whether they are in their original package, green coffee beans:

(i) imported from a foreign country;

(ii) that are owned by and in possession of the importer; and

(iii) in which no physical or chemical change has been made by any manufacturing process.

§7–220.

Aircraft as defined in § 5-101 of the Transportation Article are not subject to valuation or to property tax.

§7–221.

(a) Personal property is not subject to valuation or to property tax, if the personal property is owned by:

(1) a financial institution as defined in § 8-101(c) of the Tax - General Article other than a savings and loan association as defined in § 7-221.1 of this subtitle; or

(2) a federal or State chartered credit union.

(b) This exemption does not include any personal property that is leased, loaned, or made available by the institution for the use of a person whose business is not that of the institution.

§7–221.1.

(a) (1) In this section the following words have the meanings indicated.

(2) "Bank or trust company" means:

(i) a commercial bank;

(ii) a savings bank;

(iii) a trust company; or

(iv) a company that substantially competes with national banks in the State.

(3) "Savings and loan association" means a savings and loan association that:

(i) is organized under the laws of the State;

(ii) is organized under the laws of another state and is admitted to do business in this State; or

(iii) is organized under the laws of the United States and has an office in this State.

(b) Except as provided in subsection (c) of this section, personal property is not subject to valuation or to property tax, if the personal property:

(1) is owned by a bank or trust company or a savings and loan association and is used in connection with the processing of deposits or loans of the bank or trust company or savings and loan association;

(2) is a computer program, as defined in § 11-225(a) of the Tax - General Article, or computer hardware; and

(3) is not used in connection with word processing.

(c) The exemption under this section does not apply to any personal property that is leased, loaned, or made available by a bank or trust company or a savings and loan association for the use of a person that is not a bank or trust company or savings and loan association.

§7–222.

(a) Except as provided in § 7-109 of this title and in subsection (b) of this section, the stock in business of a person engaged in a manufacturing or commercial business is not subject to property tax.

(b) Except as provided by § 7-108 of this title, the personal property described in subsection (a) of this section is subject to a county property tax on 35% of its assessment in Wicomico County.

§7–223.

The farming implements owned or leased by a farmer are not subject to valuation or property tax.

§7–224.

The livestock of a farmer is not subject to valuation or to property tax.

§7–225.

(a) Except as provided in § 7-109 of this title and in subsection (b) of this section, if used in manufacturing, the following personal property, however operated and whether or not in use, is not subject to property tax:

(1) tools;

(2) implements;

(3) machinery; or

(4) manufacturing apparatus or engines.

(b) Except as provided by § 7-108 of this title, the personal property listed in subsection (a) of this section is subject to a county property tax on:

(1) 100% of its assessment in Garrett County, Somerset County, Wicomico County, and Worcester County; and

(2) 75% of its assessment in Allegany County.

(c) Property does not qualify for the exemption under this section if the property is used primarily in administration, management, sales, storage, shipping, receiving, or any other nonmanufacturing activity.

(d) In order to qualify for the exemption under this section, a person claiming the exemption must apply for and be granted the exemption by the Department.

§7–226.

Except as provided in § 7-109 of this title, raw materials and manufactured products in the possession of a manufacturer are not subject to property tax.

§7–227.

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

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

(1) owned by an individual;

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

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

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

(i) the personal property is owned by an individual and is used in connection with a business, occupation, or profession that is located at the individual's principal residence; and

(ii) the sum total of the personal property, excluding vehicles exempt under § 7–230 of this subtitle, had a total original cost of less than $20,000.

(2) If the individual attests to owning a sum total of personal property with an original cost of less than $20,000, the Department may not:

(i) collect personal property information from the individual; or

(ii) require the individual to submit a personal property tax return.

§7–229.

The working tools of mechanics or artisans that are operated exclusively by hand are not subject to valuation or property tax.

§7–230.

A vehicle is not subject to valuation or property tax if the vehicle is:

(1) registered in Maryland or another jurisdiction; and

(2) of a vehicle classification described in Title 13, Subtitle 9, Part II of the Transportation Article.

§7–231.

(a) As used in this section, "vessel" includes a ship, boat, or watercraft.

(b) A vessel is not subject to valuation or to property tax if the vessel is:

(1) not more than 100 feet in length; or

(2) regularly used in whole or in part in commerce outside the State.

§7–232.

A voting system, as defined in § 1-101 of the Election Law Article, and related equipment, that is leased, rented, or acquired by a board of supervisors of elections is not subject to valuation or to property tax.

§7–233.

Property is not subject to property tax if the property:

(1) is owned by:

(i) the Boy Scouts of America;

(ii) the Girl Scouts of the United States of America; or

(iii) any council, unit, or troop of these organizations; and

(2) is actually used exclusively for the purposes of these organizations.

§7–234.

Property is not subject to property tax if the property:

(1) is owned by:

(i) a national organization of veterans of the United States armed services; or

(ii) any department, State or local unit, chapter, branch, or post of a national organization of veterans of the United States armed services, including:

1. the 29th Division Association of World War I; or

2. the Society of the Cincinnati of Maryland; and

(2) is necessary for and actually used exclusively for the purposes of any of these organizations.

§7–235.

Personal property is not subject to valuation or property tax if the property:

(1) is owned by an individual operating a vending facility under the Maryland Vending Program for the Blind; and

(2) is used exclusively for that purpose.

§7–236.

(a) In this section, "clean-burning fuel" has the meaning stated in § 9-101 of the Tax - General Article.

(b) Except as provided in subsection (c) of this section, refueling equipment or machinery used only to dispense clean-burning fuels into motor vehicles is not subject to property tax.

(c) The property tax for refueling equipment or machinery used only to dispense clean-burning fuels into motor vehicles is the applicable tax rate applied to:

(1) 20% of the assessed value in taxable year 1998;

(2) 40% of the assessed value in taxable year 1999;

(3) 60% of the assessed value in taxable year 2000;

(4) 80% of the assessed value in taxable year 2001; and

(5) 100% of the assessed value in taxable year 2002 and each taxable year thereafter.

§7–237.

(a) Except as provided in subsection (b) of this section, personal property is exempt from property tax if the property is machinery or equipment used to generate:

(1) electricity or steam for sale; or

(2) hot or chilled water for sale that is used to heat or cool a building.

(b) Subject to § 7–514 of this title, and except as provided in subsection (c) of this section, personal property that is machinery or equipment described in subsection (a) of this section is subject to county or municipal corporation property tax on:

(1) 75% of its value for the taxable year beginning July 1, 2000; and

(2) 50% of its value for the taxable year beginning July 1, 2001 and each subsequent taxable year.

(c) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Agrivoltaics" means the simultaneous use of areas of land for both solar power generation and agriculture.

(iii) "Brownfield" means:

1. a former industrial or commercial site identified by federal or State laws or regulations as contaminated or polluted; or

2. a closed municipal or rubble landfill regulated under a refuse disposal permit by the Department of the Environment.

(iv) "Community solar energy generating system" has the meaning stated in § 7–306.2 of the Public Utilities Article.

(v) "Electric company" has the meaning stated in § 1–101 of the Public Utilities Article.

(2) This subsection applies through the life cycle of a community solar energy generating system that:

(i) is placed in service after June 30, 2022; and

(ii) has been approved on or before December 31, 2030, by the Public Service Commission under § 7–306.2 of the Public Utilities Article.

(3) Personal property is exempt from county or municipal corporation property tax if the property is machinery or equipment that is part of a community solar energy generating system that:

(i) has a generating capacity that does not exceed 5 megawatts as measured by the alternating current rating of the system's inverter;

(ii) provides at least 50% of the energy it produces to low– or moderate–income customers at a cost that is at least 20% less than the amount charged by the electric company that serves the area where the community solar energy generating system is located; and

(iii) 1. is used for agrivoltaics; or

2. is installed on a rooftop, brownfield, parking facility canopy, landfill, or clean fill.

(4) On or before October 1 each year, the Department shall report to the Senate Budget and Taxation Committee and the House Ways and Means Committee, in accordance with § 2–1257 of the State Government Article, on the number and location of projects that, in the immediately preceding taxable year, have received the exemption under this subsection.

§7–238.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Computer software" means any program or routine used to cause a computer to perform a specific task or set of tasks.

(ii) "Computer software" includes:

1. system and application programs; and

2. database storage and management programs.

(3) "Embedded software" means computer instructions, known as microcode, that:

(i) reside permanently in the internal memory of a computer system or other equipment; and

(ii) are not intended to be removed without terminating the operation of the computer system or equipment and removing a computer chip, a circuit, or another mechanical device.

(b) Except as provided in subsections (c) and (d) of this section, computer software and any documentation related to the computer software are not subject to valuation or property tax.

(c) The exemption under this section does not apply to computer software or its related documentation if:

(1) the computer software is embedded software; or

(2) the computer software is sold from stock in business in a tangible medium ready for use as is.

(d) When reporting personal property under Title 11 of this article, a business may not reduce the original cost of the computer hardware by the value of the computer software that is acquired as part of the purchase of computer hardware.

§7–239.

(a) In this section the following words have the meanings indicated.

(1) "Certified coal pollution control facility" means property that:

(i) is used for the purpose of controlling emissions of pollutants into the air, ground, or waters of the State, resulting from the use of coal at an electrical generation facility, to achieve air quality standards, water quality standards, or effluent standards prescribed under the laws or regulations of the State or the United States; and

(ii) has been certified by the Department of the Environment as having all applicable federal and State environmental permits.

(2) "Coal waste disposal power project" means an electrical generation facility designed, constructed, and installed to reclaim, burn, and dispose of coal wastes in compliance with applicable federal and State air quality, water quality, and effluent standards.

(b) Except as otherwise provided in this section, property is subject to a partial exemption from property tax as provided in this section if the property is:

(1) a certified coal pollution control facility; or

(2) a coal waste disposal power project.

(c) Subject to subsection (d) of this section, the partial exemption granted under this section:

(1) is equal to 95% of the assessment of the property; and

(2) shall apply only to property placed in service as a part of a certified coal pollution control facility or a coal waste disposal power project, for which all necessary permits, including a certificate of public convenience and necessity, are issued on or after January 1, 1997.

(d) If a certified coal pollution control facility produces a profitable by-product or if a part of the facility is required for the operation of the business without

regard to State and federal air quality, water quality, and effluent requirements, the partial exemption under this section applies only to that portion of the value of the facility attributable to pollution control activity.

(e) If a certified coal pollution control facility includes the replacement, repair, or retrofit of equipment that was subject to property tax on or before December 31, 1996, the partial exemption under this section shall be reduced by the replacement value of existing equipment that is replaced.

(f) (1) The Department shall adopt regulations to administer the exemption under this section.

(2) The regulations adopted under this subsection shall provide for the method for allocation of values required under subsections (d) and (e) of this section.

§7–240.

Personal property is not subject to property tax if the property:

(1) is owned by a nonprofit organization that:

(i) is qualified as tax exempt under § 501(c)(4) of the Internal Revenue Code; and

(ii) is engaged primarily in providing a program to render its best efforts to contain, clean up, and otherwise mitigate spills of oil or other substances occurring in United States coastal and tidal waters; and

(2) is used for the purposes of the organization.

§7–241.

(a) Subject to subsection (b) of this section, property reserved by the Charles County Planning Commission under § 9–805 of the Land Use Article is not subject to property tax.

(b) (1) The Commission shall notify the Charles County Supervisor of Assessments when land is reserved and when land is released from reservation.

(2) The notice to the Supervisor shall identify the land that has been reserved or released from reservation.

(c) The exemption under this section shall be:

(1) effective beginning with the first taxable year after the date on which the Supervisor receives from the Commission notification of the reservation; and

(2) terminated beginning with the first taxable year after the date on which the Supervisor receives from the Commission notification of the release of the reservation.

§7–242.

(a) (1) In this section the following words have the meanings indicated.

(2) "Residential wind energy equipment" means equipment on residential property that is installed to use wind energy to generate electricity to be used in a residential structure on the property.

(3) "Solar energy property" means equipment that is installed to use solar energy or solar thermal electric energy to generate electricity to be used in a structure or supplied to the electric grid, or provide hot water for use in a structure.

(b) Except as provided in § 8–240 of this article, the following are not subject to real property tax:

(1) residential wind energy equipment; and

(2) solar energy property.

§7–243.

(a) In this section, "heavy equipment property" has the meaning stated in § 20–609 of the Local Government Article.

(b) Heavy equipment property is not subject to the property tax if the property is subject to the gross receipts tax imposed under § 20–609 of the Local Government Article.

§7–244.

(a) (1) In this section the following words have the meanings indicated.

(2) "Associated equipment" has the meaning stated in § 9–1A–01 of the State Government Article.

(3) "Table games" has the meaning stated in § 9–1A–01 of the State Government Article.

(4) "Video lottery operation license" has the meaning stated in § 9–1A–01 of the State Government Article.

(5) "Video lottery terminal" has the meaning stated in § 9–1A–01 of the State Government Article.

(b) Video lottery terminals and any associated equipment or software leased by the State Lottery and Gaming Control Commission as provided in § 9–1A–21 of the State Government Article are not subject to property tax.

(c) An interest of a person in video lottery terminals and any associated equipment or software owned by the State Lottery and Gaming Control Commission as provided in § 9–1A–21 of the State Government Article is not subject to property tax.

(d) Video lottery terminals, any associated equipment and software, and table games owned or leased by a holder of a video lottery operation license are not subject to property tax.

§7–245.

(a) A person's personal property is not subject to valuation or to property tax if all of the person's personal property statewide had a total original cost of less than $20,000.

(b) If the person attests to owning a sum total of personal property with an original cost of less than $20,000, the Department may not:

(1) collect personal property information from the person; or

(2) require the person to submit a personal property tax return.

§7–246.

(a) In this section, "Pimlico racing facility site" and "training facility site" have the meanings stated in § 10–601 of the Economic Development Article.

(b) An interest of a person in an improvement at the Pimlico racing facility site or training facility site or an interest of a person in the real property of the Pimlico racing facility site or training facility site is not subject to property tax for the duration of:

(1) with respect to the Pimlico racing facility site, the long–term agreement described under § 10–646.1(d) of the Economic Development Article; or

(2) with respect to the training facility site, the long–term agreement described under § 10–646.1(d) of the Economic Development Article.

§7–247.

Property is not subject to property tax if the property is:

(1) owned by the Maryland Farm Bureau, Inc.; and

(2) used exclusively for:

(i) the agricultural education of the public;

(ii) aiding and encouraging agriculture in the State;

(iii) assisting in the collection, analysis, and dissemination of information relating to agriculture; or

(iv) the maintenance of a natural or recreational area for public use.

§7–248.

(a) In this section, "qualified data center" and "qualified data center personal property" have the meanings stated in § 11–238 of the Tax – General Article.

(b) The governing body of a county or municipal corporation may reduce or eliminate, by law, the percentage of the assessment of any qualified data center personal property used in a qualified data center that is subject to the county or municipal corporation property tax under this title.

(c) (1) A county or municipal corporation that reduces or eliminates the percentage of assessment of taxable qualified data center personal property under subsection (b) of this section shall submit a copy of the law to the Department.

(2) If the Department receives a copy of the law on or before May 1, the change will be effective for the taxable year following the date the law is enacted.

(d) If any qualified data center personal property is exempt under subsection (c) of this section from county property tax but is subject to municipal

corporation property tax, the Department or the supervisor shall provide the municipal corporation with the assessment of the qualified data center personal property.

(e) The Department may adopt regulations to implement this section.

§7–249.

(a) This section applies only to nonresidential solar energy generating systems that are approved by the Public Service Commission under § 7–207 or § 7–207.1 of the Public Utilities Article on or after July 1, 2024.

(b) Nonresidential solar energy generating systems that are constructed on the rooftops of buildings or on parking facility canopies are not subject to valuation or to property tax.

§7–250.

(a) This section applies only to real property that includes a parking facility on which a solar energy generating system has been constructed on its canopy if the solar energy generating system has been approved by the Public Service Commission under § 7–207 or § 7–207.1 of the Public Utilities Article on or after July 1, 2024.

(b) The governing body of a county or municipal corporation may reduce or eliminate, by law, the percentage of the assessment of any real property that is subject to the county or municipal corporation property tax under this article if the real property includes a parking facility on which a solar energy generating system has been constructed on its canopy.

(c) (1) A county or municipal corporation that reduces or eliminates the percentage of assessment of taxable real property under subsection (b) of this section shall submit a copy of the law to the Department.

(2) If the Department receives a copy of the law on or before May 1, the change will be effective for the taxable year following the date the law is enacted.

(d) If any real property is exempt under subsection (c) of this section from county property tax but is subject to municipal corporation property tax, the Department or the supervisor shall provide the municipal corporation with the assessment of the real property.

(e) The Department may adopt regulations to implement this section.

§7–301.

All personal property is exempt from the State property tax.

§7–302.

(a) Real property is not subject to State property tax if the property:

(1) is owned by the American Association of Blood Banks, Incorporated; or

(2) is leased by the American Association of Blood Banks, Incorporated under a lease of 50 years or more.

(b) The property tax exemption under this section only applies to that portion of the property that is necessary for and actually used exclusively for the charitable or educational purposes of the American Association of Blood Banks, Incorporated.

(c) The property tax exemption under this section only applies for any taxable year for which a property tax credit for the property described in subsection (a) of this section is granted by the governing body of Montgomery County under § 9-317 of this article.

§7–303.

(a) Real property is not subject to State property tax if:

(1) on the real property there is an airport that is:

(i) located on privately owned land;

(ii) used by the public; and

(iii) licensed under Title 5 of the Transportation Article; and

(2) the real property is the part of the airport that is an improved aircraft landing area, including an approach zone and taxiway, and other part of the property that is designated by the Maryland Aviation Administration as necessary to meet the minimum standards of safety required for licensure.

(b) The property tax exemption under this section only applies for any taxable year for which and to the extent that a property tax exemption is granted by the governing body of a county under § 8-302 of this article.

§7–304.

(a) Property is not subject to State property tax if the property is:

(1) owned by a land trust as defined in § 3-2A-01 of the Natural Resources Article that is certified by the Maryland Environmental Trust to be a land trust in good standing and to have a cooperative agreement in effect; and

(2) used:

(i) to assist in the preservation of a natural area;

(ii) for the environmental education of the public;

(iii) to conserve agricultural land and to promote continued agricultural use of the land;

(iv) generally to promote conservation; or

(v) for the maintenance of a natural area for public use or a sanctuary for wildlife.

(b) To qualify for an exemption under this section, a land trust shall obtain a written certification every 5 years beginning July 1, 1998, or as scheduled by the Maryland Environmental Trust.

§7–305.

Property is not subject to State property tax if the property:

(1) is owned by the Harford Land Trust; and

(2) is used:

(i) to assist in the preservation of a wild nature area;

(ii) to establish a nature reserve or other protected area;

(iii) for environmental education of the public; or

(iv) generally to promote conservation.

§7–306.

Property is not subject to State property tax if the property:

(1) is owned by The Maryland State Game and Fish Protective Association, Inc.; and

(2) is used to educate the public on hunting safety.

§7–307.

(a) Subject to subsection (b) of this section, real property is not subject to State property tax if:

(1) the homeowner is otherwise eligible for the credit allowed under § 9-105 of this article;

(2) (i) the dwelling is:

1. damaged or destroyed due to a natural disaster; and

2. subsequently repaired or reconstructed;

(ii) the dwelling is revalued after the dwelling is repaired or reconstructed; and

(iii) as a result of the revaluation, the assessment of the dwelling exceeds the last assessment of the dwelling; and

(3) the homeowner claiming the exemption had a legal interest in the dwelling at the time the dwelling was damaged or destroyed as described under item (2) of this subsection.

(b) The property tax exemption under this section only applies for a taxable year in which a property tax credit for the property described in subsection (a) of this section is granted by the governing body of a county or municipal corporation under § 9-109 of this article and applies only to the extent that the credit is granted.

§7–401.

Rolling stock of any person other than a person assessed under § 8-108 of this article is not subject to a county or municipal corporation property tax.

§7–501.

(a) The governing body of Allegany County, Anne Arundel County, Montgomery County, or Washington County or the governing body of a municipal corporation in those counties may authorize, by law, an exemption from county or municipal corporation property tax for the property that is described in § 6–102(e) of this article.

(b) Except for an interest in federal enclave property as defined in § 7–211.3 of this title, in all counties except Worcester County, the governing body of the county or of a municipal corporation in those counties or the Mayor and City Council of Baltimore City may authorize, by law, an exemption from county or municipal corporation property tax for the property described in § 6–102(e) of this article and provide for a negotiated payment in lieu of the tax.

(c) Notwithstanding subsections (a) and (b) of this section, the assessment of any property exempted under subsections (a) and (b) of this section shall be included in the assessable base of the county or municipal corporation to determine the amount of any State aid that is based on the assessable base of the county or municipal corporation.

§7–502.

(a) (1) In this subsection, "essential service facilities" includes dining halls, community rooms, and infirmaries.

(2) Real property that meets the requirements of subsection (b) of this section is not subject to property tax if:

(i) the owner of the real property is:

1. a person who meets the ownership requirements of § 7-202 of this title; or

2. a nonprofit corporation that is exempt from income tax under § 10-104 of the Tax - General Article; and

(ii) the owner of the real property is engaged solely in constructing, operating, or managing multifamily rental housing and other related essential service facilities that:

1. are newly constructed on and after September 24, 1959;

2. are financed for at least 95% of the cost from loan funds provided under the National Housing Act of 1959 for senior citizen housing programs; and

3. are operated on a nonprofit basis with the revenues from the operation of the housing and facilities controlled by the loan program in order not to produce any net income.

(b) The real property described in subsection (a) of this section may be exempt from property tax only if:

(1) the governing body of the subdivision where the real property is located approves an agreement between the subdivision and the owner; and

(2) under the agreement the owner pays the subdivision a negotiated amount in lieu of property tax.

(c) An agreement under subsection (b) of this section may provide for abating or reducing property tax previously imposed on the real property.

(d) Any payment negotiated under this section in lieu of the property tax shall be divided between the State and the subdivision, in the ratio that the tax rate of the State and the subdivision each bears to the total of the tax rates of the State and the subdivision.

§7–503.

(a) (1) In this subsection, "essential service facilities" includes dining halls, community rooms, and infirmaries.

(2) Real property that meets the requirements of subsection (b) of this section is not subject to property tax if the owner of the real property is:

(i) 1. A. a person who meets the ownership requirements of § 7–202 of this title;

B. a nonprofit corporation that is exempt from income tax under § 10–104 of the Tax – General Article;

C. a limited liability company that is wholly owned by a nonprofit corporation that is exempt from income tax under § 10–104(2) of the Tax – General Article; or

D. a nonprofit housing corporation as defined in § 12–104(b) of the Housing and Community Development Article; and

2. engaged solely in constructing, operating, or managing rental housing and other related essential service facilities that:

A. are substantially completed or substantially rehabilitated on and after July 1, 1973, or, in Montgomery County, substantially completed or substantially rehabilitated on and after January 1, 1968;

B. are partially or totally financed under a government program that provides housing for low income families; and

C. are operated on a nonprofit basis with the revenues from the operation of the housing and facilities controlled under the government program in order not to produce any net income; or

(ii) 1. a limited partnership whose managing general partner is:

A. a housing authority as defined in § 12–101 of the Housing and Community Development Article;

B. a nonprofit corporation that is exempt from income tax under § 10–104(2) of the Tax – General Article;

C. a limited liability company that is wholly owned by a nonprofit corporation that is exempt from income tax under § 10–104(2) of the Tax – General Article; or

D. a for profit corporation in which 100% of the stock is owned by a nonprofit corporation that is exempt from income tax under § 10–104(2) of the Tax – General Article; and

2. engaged in the operation, construction, or management of a qualified low income housing project as defined in the Internal Revenue Code.

(b) The real property described in subsection (a) of this section may be exempt from property tax only if:

(1) the governing body of the political subdivision where the real property is located approves an agreement between:

(i) the political subdivision and the owner for real property described in subsection (a)(2)(i)1A, B, and C and (a)(2)(ii)1B, C, and D of this section; or

(ii) the county and, where applicable, municipal corporation and the owner for real property described in subsection (a)(2)(i)1D and (a)(2)(ii)1A of this section; and

(2) under the agreement the owner pays the political subdivision or the county and, where applicable, municipal corporation a negotiated amount in lieu of the property tax.

(c) (1) Except as provided under paragraph (2) of this subsection, an agreement under subsection (b) of this section may provide for abating or reducing property tax previously imposed on the real property.

(2) For an agreement concerning real property described under subsection (a)(2)(i)1D of this section, the abatement or reduction of property tax previously imposed is from the date during the taxable year when the instrument transferring title to that real property was recorded.

(d) (1) For property described in subsection (a)(2)(i)1 and 2 of this section, any amount negotiated under this section in lieu of the property tax shall be divided between the State and the political subdivision in the ratio that the tax rate of the State, and the political subdivision each bears to the total of the tax rates of the State and the political subdivision.

(2) For property described in subsection (a)(2)(i)1D of this section, any amount negotiated under this section in lieu of property tax shall be divided between the county and, where applicable, the municipal corporation in the ratio that the tax rate of the county and municipal corporation each bears to the total of the tax rates of the county and municipal corporation. The payment to the county and, where applicable, the municipal corporation may not exceed an amount equal to property tax imposed on similar property.

§7–504.

(a) (1) In this subsection, "service facilities" includes nondwelling commercial and community facilities, community rooms, dining halls, and infirmaries.

(2) Real property is exempt from Baltimore City property tax if:

(i) the real property is exempted under the express terms of an approved urban renewal land disposition agreement;

(ii) the real property is exempted by an agreement in effect on or after July 1, 1976, with the Mayor and City Council of Baltimore, which agreement provides for the owner to pay a negotiated sum in lieu of Baltimore City property tax;

(iii) the real property is owned by:

1. a limited distribution partnership; or

2. a limited distribution partnership that:

A. acquires equitable ownership to receive substantial financial assistance; and

B. is approved by the United States Department of Housing and Urban Development and any other appropriate government agency; and

(iv) the structures and facilities of the property are governmentally controlled as to rents, charges, rates of return, and methods of operation so that the real property operates on a nonprofit or limited distribution basis.

(3) If the structure and facilities of the real property are used predominantly for residential purposes, the real property may contain service facilities to serve its occupants and the surrounding neighborhood.

(b) The real property described in subsection (a) of this section is exempt from Baltimore City property tax when the owner of the real property and the governing body of Baltimore City agree on the payment that the owner shall make to Baltimore City in lieu of Baltimore City property tax on the real property.

(c) (1) Except as provided in paragraph (2) of this subsection, an agreement under subsection (b) of this section may provide for abating or reducing Baltimore City property tax previously imposed on the real property if the agreed payment in lieu of Baltimore City property tax is made for any period for which the tax is abated or reduced.

(2) Baltimore City property tax on the real property from before the July 1, 1976 taxable year may not be abated or reduced.

§7–504.2.

(a) In this section, "Downtown Management District" means the district whose boundaries are set forth in Article II, § 61(a)(2)(i) of the Baltimore City Charter.

(b) Vacant and underutilized commercial buildings that are under a development plan are exempt from county property tax if:

(1) the real property is located in the Downtown Management District;

(2) the real property meets two of the following criteria:

(i) the improvement on the property is over 25 years old;

(ii) the property was last used as commercial space with accessory uses; or

(iii) the property has been at least 75% vacant for more than 3 years;

(3) the real property is owned by a person who:

(i) is engaged in constructing and operating housing structures or projects, including nondwelling commercial and community facilities;

(ii) provides a minimum of $500,000 of private capital in the development of the residential portion of the project;

(iii) renovates the real property so that at least 75% of the total leasable square footage of the building is used for rental residential housing; and

(iv) demonstrates to the satisfaction of the Board of Estimates of Baltimore City the financial necessity for an agreement as authorized by this section; and

(4) the owner of the real property and the Baltimore City Board of Estimates agree on the payment that the owner shall make to Baltimore City in lieu of the county property taxes.

(c) Real property that qualifies for an exemption under this section is exempt from county property tax to the extent that the parties agree under subsection (b) of this section.

§7–504.3.

(a) In this section, "economic development project" means a real estate development project for which a payment in lieu of taxes agreement was entered into prior to June 30, 1999, in accordance with former § 7–504.1 of this subtitle as enacted by Chapter 403 of the Acts of 1996, or that consists of newly constructed or rehabilitated commercial or multifamily residential property if the real estate development project:

(1) had a certificate of occupancy as of January 1, 1999 or will have a certificate of occupancy issued on or after January 1, 1999; and

(2) includes at least one of the following:

(i) a hotel that:

1. provides at least 100 full–time equivalent job opportunities; and

2. has a private capital investment of equity and debt combined of at least $20,000,000;

(ii) an office building that:

1. provides at least 150 full–time equivalent job opportunities; and

2. has a private capital investment of equity and debt combined of at least $20,000,000;

(iii) a retail facility that:

1. provides at least 100 full–time equivalent job opportunities; and

2. has a private capital investment of equity and debt combined of at least $10,000,000;

(iv) a multifamily residential facility that has a private capital investment of equity and debt combined of at least $5,000,000;

(v) an off–street parking facility that:

1. contains at least 250 parking spaces; and

2. has a private capital investment of equity and debt combined of at least $2,500,000; or

(vi) a mixed–use facility that contains one or more of the facilities described in items (i) through (v) of this item, at least one of which satisfies the minimum criteria set forth in item (i), (ii), (iii), (iv), or (v) of this item.

(b) An economic development project is exempt or partially exempt from Baltimore City real property tax if:

(1) the owner or owners of the economic development project demonstrate to the satisfaction of the Board of Estimates of Baltimore City:

(i) that the City of Baltimore or its designated agency has conducted an economic analysis of the project including:

1. a detailed description of the project and the development budget including the identification of all sources of debt and equity financing;

2. a multiyear cash flow proforma of the project detailing all incoming and outgoing cash flow including revenues, operating expenses, debt service, taxes, capital expenditures and any other cash outlays;

3. the projected return on investment for the owner;

4. a determination that the project is an economic development project meeting the requirements of this section; and

5. any other relevant analysis;

(ii) the public benefit that the project will provide, including:

1. the number of jobs expected to be created, directly or indirectly, as a result of the project and the percentage of those jobs expected to be held by residents of Baltimore City;

2. the wage rates and benefit packages for the jobs expected to be created;

3. other tax revenues of Baltimore City, exclusive of real property taxes, that the project is expected to generate during the term of the payment in lieu of taxes agreement, including admissions and amusement, personal property, hotel, parking, utility, and other taxes;

4. the encouragement of economic development;

5. the general promotion and improvement of Baltimore City and its facilities; and

6. any other relevant benefits;

(iii) the financial necessity for an exemption as authorized under this section; and

(iv) that the private capital being invested in the economic development project includes an equity investment that is:

1. commensurate with the overall undertaking; and

2. A. at least 10% of the combined equity and debt investment in the case of a hotel facility or an office building facility; or

B. at least $250,000 in the case of a multifamily residential facility or an off–street parking facility;

(2) the Mayor and City Council of Baltimore City have authorized the project by a resolution that stipulates that the project will not involve gambling activities:

(i) beyond those gambling activities allowed by law as of January 1, 1999; or

(ii) related to any game not authorized by the Maryland State Lottery;

(3) the owner or owners of the economic development project and the Baltimore City Board of Estimates enter into a payment in lieu of taxes agreement specifying:

(i) an amount that the owner or owners shall pay to Baltimore City each year in lieu of the payment of Baltimore City real property taxes during the term of the agreement that is not less than:

1. except as provided in item 3 of this item, for an economic development project that is newly constructed or rehabilitated commercial or multifamily property, the sum of the taxes on the property before the construction or rehabilitation of the project and 5% of the Baltimore City real property taxes

related to the economic development project that would have otherwise been due absent the agreement;

2. except as provided in item 3 of this item, for an economic development project that was the subject of a payment in lieu of taxes agreement prior to June 30, 1999, in accordance with former § 7–504.1 of this subtitle as enacted by Chapter 403 of the Acts of 1996, 5% of the Baltimore City real property taxes related to the economic development project that would have otherwise been due absent the agreement; or

3. for an economic development project for which a building permit is issued prior to September 30, 1999, the taxes on the property before the construction or rehabilitation of the project;

(ii) the term of the agreement, not to exceed 25 years from the date a certificate of occupancy for the project is issued; and

(iii) that each year after the expiration of the agreement, full property taxes shall be payable on the property; and

(4) prior to or no later than 18 months from the date of entering into the payment in lieu of taxes agreement, construction of the project has commenced and all conditions for the financing required for the construction of the project have been satisfied or waived.

(c) An economic development project is exempt or partially exempt from Baltimore City real property tax as the parties agree under subsection (b) of this section.

(d) On or before January 1 of each year, the City of Baltimore or its designated agency shall report to the President of the City Council of Baltimore and, subject to § 2–1257 of the State Government Article, to the General Assembly of Maryland:

(1) a description of each project for which the City entered into a payment in lieu of taxes agreement under this section during the prior fiscal year, including a statement of the analysis of the project described in subsection (b)(1) of this section; and

(2) for those projects that have a payment in lieu of taxes agreement and for which construction or rehabilitation has been completed:

(i) the number and types of jobs created during the preceding fiscal year and estimated to be created during the following fiscal year;

(ii) the total taxes that the project is estimated to have generated, directly and indirectly, for the City of Baltimore during the preceding fiscal year and estimated to be generated during the following fiscal year; and

(iii) any other economic benefits of the project.

§7–504.4.

(a) (1) In this section the following words have the meanings indicated.

(2) "Hippodrome Performing Arts Center facility" means the Hippodrome Performing Arts facility as defined in § 10–601 of the Economic Development Article.

(3) "Hippodrome Performing Arts Center site" means the Hippodrome Performing Arts site as defined in § 10–601 of the Economic Development Article.

(b) The Hippodrome Performing Arts Center site and the Hippodrome Performing Arts Center facility are subject to property taxes unless:

(1) such properties are used principally as a performing arts center; and

(2) the owner of such properties and the Baltimore City Board of Estimates agree on a payment that the owner shall make to Baltimore City in lieu of Baltimore City real property taxes.

§7–505.

(a) (1) In this subsection, "service facilities" includes nondwelling commercial and community facilities, community rooms, dining halls, and infirmaries.

(2) Except in Baltimore City, real property is exempt from county and municipal corporation property tax if:

(i) the real property is owned by a person engaged in constructing or operating housing structures or projects;

(ii) the real property is used for a housing structure or project that:

1. is constructed or substantially rehabilitated under a federal, State, or local government program that:

A. funds construction or insures its financing; or

B. provides interest subsidy, rent subsidy, or rent supplements; and

2. is substantially completed after July 1, 1978;

(iii) the structures and facilities of the real property are governmentally controlled as to rents, charges, rates of return, and methods of operation so that the real property operates on a nonprofit or limited distribution basis; and

(iv) the owner and the governing body of the county and, where applicable, municipal corporation where the real property is located agree that the owner shall pay a negotiated amount in lieu of the applicable county and municipal corporation property tax.

(3) If the structure and facilities of the real property are used predominantly for residential purposes, the real property may contain service facilities to serve its occupants and the surrounding neighborhood.

(b) Real property described in subsection (a) of this section is exempt when the requirements of subsection (a) of this section are met.

§7–506.

(a) (1) In this subsection, "service facilities" includes nondwelling commercial and community facilities, community rooms, dining halls, and infirmaries.

(2) In this subsection, "urban renewal area":

(i) means an urban renewal project that is acquired and disposed of by the Mayor and City Council of Baltimore City under the Baltimore City Charter, Article II(15); and

(ii) does not include the Madison Park North, the Madison Park South, and the Mount Vernon projects.

(3) Real property is exempt from Baltimore City property tax if:

(i) the real property is located in an urban renewal area;

(ii) the real property is owned by a person engaged in constructing and operating housing structures or projects; and

(iii) the real property is used for a housing structure or project that:

1. is substantially constructed or rehabilitated on and after July 1, 1973; and

2. is governmentally controlled as to rents, charges, rates of return, and methods of operation so that the real property operates on a nonprofit or limited distribution basis; and

(iv) the owner of the real property and the Baltimore City Board of Estimates agree on the payment that the owner shall make to Baltimore City in lieu of Baltimore City property taxes.

(4) If the structure and facilities of the property are used predominantly for residential purposes, the real property may contain service facilities to serve its occupants and the surrounding neighborhood.

(b) Real property described in subsection (a) of this section is exempt from Baltimore City property tax as the parties agree under subsection (a) of this section.

(c) Subject to § 2–1257 of the State Government Article, annually on or before February 1, Baltimore City shall report to the General Assembly on the effect and operation of all agreements adopted during the previous year under this section.

§7–506.1.

(a) (1) In this subsection, "service facilities" includes nondwelling commercial and community facilities, community rooms, dining halls, infirmaries, child and adult day care facilities, and drug rehabilitation facilities.

(2) Except in Baltimore City, real property may be exempt from county and municipal corporation property tax if:

(i) the real property is owned by a person engaged in constructing or operating housing structures or projects;

(ii) the real property is used for a housing structure or project that is constructed or substantially rehabilitated under a federal, State, or local government program that:

1. funds construction or insures its financing in whole or in part; or

2. provides interest subsidy, rent subsidy, or rent supplements;

(iii) the owner and the governing body of the county and, where applicable, the municipal corporation where the real property is located agree that the owner shall pay a negotiated amount in lieu of the applicable county or municipal corporation property tax; and

(iv) the owner of the real property:

1. A. agrees to continue to maintain the real property as rental housing for lower income persons under the requirements of the government programs described in paragraph (2)(ii) of this subsection; and

B. agrees to renew any annual contributions contract or other agreement for rental subsidy or supplement; or

2. enters into an agreement with the governing body of the county or municipal corporation to allow the entire property or the portion of the property which was maintained for lower income persons to remain as housing for lower income persons for a term of at least 5 years.

(3) If the structure and facilities of the real property are used predominantly for residential purposes, the real property may contain service facilities to serve its occupants and the surrounding neighborhood.

(b) Real property described in subsection (a) of this section is exempt when the requirements of subsection (a) of this section are met.

§7–506.2.

(a) Real property may be exempt from municipal corporation property tax if:

(1) the real property is owned by:

(i) a former tenant of the real property;

(ii) an association of tenants or former tenants of the real property;

(iii) an entity in which former tenants or an association of tenants or former tenants holds a majority interest; or

(iv) a cooperative housing corporation that:

1. operates on a nonprofit basis;

2. operates on a limited equity basis; or

3. is subject to controls on the corporation's rates of return;

(2) the owner and the governing body of the municipal corporation where the real property is located agree that the owner shall pay a negotiated amount in lieu of the applicable municipal corporation property tax; and

(3) the owner of the real property agrees to maintain at least 10% of the total number of residential units as housing for low to moderate income households, as set forth in an agreement between the owner and the governing body of the municipal corporation where the real property is located.

(b) Real property described in subsection (a) of this section is exempt when the requirements of subsection (a) of this section are met.

§7–506.3.

(a) (1) In this subsection, "service facilities" includes nondwelling commercial and community facilities, community rooms, dining halls, infirmaries, child and adult day care facilities, and drug rehabilitation facilities.

(2) In Prince George's County, real property may be exempt from county property tax if:

(i) the real property is owned by a person engaged in constructing or operating housing structures or projects;

(ii) the real property is used for a housing structure or project that:

1. is acquired, constructed, or rehabilitated under a federal, State, or local government program that:

A. funds construction or rehabilitation or insures the financing of construction or rehabilitation in whole or in part, including a housing investment trust; or

B. provides interest subsidy, rent subsidy, or rent supplements;

2. is acquired or financed under the Right of First Refusal program under Subtitle 13, Division 14 of the Prince George's County Code; or

3. is acquired, constructed, or rehabilitated for the purpose of operating rental housing for lower income persons;

(iii) the owner and the governing body of Prince George's County agree that the owner shall pay a negotiated amount in lieu of the applicable county property tax; and

(iv) the owner of the real property:

1. A. agrees to commence or continue to maintain the real property as rental housing for lower income persons under the requirements of item (ii) of this paragraph; and

B. agrees to renew any annual contributions contract or other agreement for rental subsidy or supplement; or

2. enters into an agreement with the governing body of Prince George's County to allow the entire property or the portion of the property that was maintained for lower income persons to remain as housing for lower income persons for a term of at least 5 years.

(3) If the structure and facilities of the real property are used predominantly for residential purposes, the real property may contain service facilities to serve its occupants and the surrounding neighborhood.

(b) Real property described in subsection (a) of this section is exempt when the requirements of subsection (a) of this section are met.

§7–507.

If the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation authorizes, by law, the stock in business consisting of foreign imports of a business engaged in importing is not subject to county or municipal corporation property tax if the foreign import is:

(1) in the possession of the business engaged in importing; and

(2) in its original package.

§7–508.

(a) In this section, "manufacturer" means a person who engages in at least 2 of the following processes:

(1) applies labor, skill, art, or science to materials;

(2) makes changes or modifications in existing material by processes usually considered as manufacturing;

(3) develops new forms, qualities, properties, or combinations of materials, or adapts materials to certain uses; or

(4) produces from materials a different kind of material with a new use.

(b) The governing body of Washington County may exempt the raw materials used in a manufacturing process and manufactured products in the possession of a manufacturer from the Washington County property tax.

§7–509.

(a) In this section, "warehouser" means a person engaged only in the business of warehousing merchandise as a distribution center and that the person does not have any retail or wholesale sales persons.

(b) The governing body of Washington County may exempt the stock in business of a warehouser from the Washington County property tax.

§7–509.1.

(a) (1) The governing body of Washington County may enter into an agreement with the owner of a technology–related business that is located or locates in Washington County for a negotiated payment by the owner in lieu of taxes on personal property owned by the technology–related business.

(2) An agreement for a negotiated payment in lieu of taxes under this section shall provide that, for the term specified in the agreement:

(i) the owner shall pay to Washington County a specified amount each year in lieu of the payment of Washington County personal property tax; and

(ii) all or a specified part of the personal property of the technology–related business shall be exempt from Washington County personal property tax for the term of the agreement.

(b) As specified in an agreement for a negotiated payment in lieu of taxes under this section, for the term specified in the agreement, the personal property of a technology–related business that is located or locates in Washington County is exempt from Washington County personal property tax.

§7–510.

In Calvert County, Caroline County, Cecil County, Kent County, or Queen Anne's County, when authorized by the governing body of the county by law, 1 or more classes of the personal property of any commercial, manufacturing, or professional business that is actually used in the business, including furniture, fixtures, equipment, and supplies, is not subject to the county property tax.

§7–511.

(a) Subject to subsection (b) of this section, the governing body of Garrett County may reduce, by law, the percent of the assessment on one or more classes or subclasses of personal property listed under § 8-101 of this article.

(b) (1) If Garrett County reduces or eliminates the percentage of assessment of taxable personal property under subsection (a) of this section, Garrett County shall submit a copy of the law to the Department.

(2) If the Department receives a copy of the law on or before March 1, the change shall be effective for the taxable year following the date the law is enacted.

§7–511.1.

(a) In this section, "business incubator" has the meaning stated in § 9–247 of this article.

(b) The governing body of Garrett County may exempt from the county property tax real property that is:

(1) owned by the Garrett College Board of Trustees;

(2) known as the Garrett Information Enterprise Center; and

(3) used as a business incubator.

§7–512.

(a) (1) The governing body of Cecil County may enter into an agreement with the owner of a facility for the generation of electricity that locates in Cecil County for a negotiated payment by the owner in lieu of taxes on the facility.

(2) An agreement for a negotiated payment in lieu of taxes under this section shall provide that, for the term specified in the agreement:

(i) the owner shall pay to Cecil County a specified amount each year in lieu of the payment of Cecil County property tax; and

(ii) all or a specified part of the real and personal property at the facility shall be exempt from Cecil County property tax for the term of the agreement.

(b) As specified in an agreement for a negotiated payment in lieu of taxes under this section, for the term specified in the agreement, the real and personal property at a facility for the generation of electricity that locates in Cecil County is exempt from Cecil County property tax.

(c) Notwithstanding subsections (a) and (b) of this section, the assessment of any property exempted under this section shall be included in the assessable base of Cecil County for the purpose of computing any State aid to education under § 5-202 of the Education Article or other payments of State aid to the county that by law are based on the assessment of property.

§7–513.

(a) Subject to subsection (b) of this section, the governing body of Dorchester County may reduce, by law, the percent of the assessment of personal property other than operating personal property of a public utility.

(b) If the governing body of the county enacts a law reducing the assessment of personal property, personal property other than operating personal property of a public utility is subject to county property tax on:

(1) 90% of its value for the first taxable year beginning after enactment of the law;

(2) 80% of its value for the second taxable year beginning after enactment of the law;

(3) 70% of its value for the third taxable year beginning after enactment of the law;

(4) 60% of its value for the fourth taxable year beginning after enactment of the law;

(5) 50% of its value for the fifth taxable year beginning after enactment of the law;

(6) 40% of its value for the sixth taxable year beginning after enactment of the law;

(7) 30% of its value for the seventh taxable year beginning after enactment of the law;

(8) 20% of its value for the eighth taxable year beginning after enactment of the law;

(9) 10% of its value for the ninth taxable year beginning after enactment of the law; and

(10) 0% of its value for the tenth taxable year beginning after enactment of the law and for each taxable year thereafter.

§7–514.

(a) (1) The governing body of a county or a municipal corporation may enter into an agreement with the owner of a facility for the generation of electricity that is located or locates in the county or the municipal corporation for a negotiated payment by the owner in lieu of taxes on the facility.

(2) An agreement for a negotiated payment in lieu of taxes under this section shall provide that, for the term specified in the agreement:

(i) the owner shall pay to the county or municipal corporation a specified amount each year in lieu of the payment of county or municipal corporation real and personal property tax; and

(ii) all or a specified part of the real and personal property at the facility shall be exempt from county or municipal corporation property tax for the term of the agreement.

(b) As specified in the agreement for a negotiated payment in lieu of taxes under this section, for the term specified in the agreement, the real and personal property at a facility for the generation of electricity that is located or locates in the county or the municipal corporation is exempt from county or municipal corporation property tax.

(c) For each taxable year, Washington County shall distribute to the Town of Williamsport an amount equal to 35% of any amount received by the county under a negotiated payment in lieu of taxes under this section from an owner of an electricity generation facility that is located or locates in the Town of Williamsport.

§7–515.

(a) The governing body of Allegany County shall enter into an agreement with an owner or operator of a video lottery facility that locates in Allegany County for a negotiated payment in lieu of taxes on the video lottery facility.

(b) An agreement for a negotiated payment in lieu of taxes under this section shall provide that, for the term specified in the agreement:

(1) a specified amount shall be paid to Allegany County in lieu of the payment of Allegany County property tax; and

(2) all or a specified part of the real and personal property at the video lottery facility shall be exempt from Allegany County property tax for the term of the agreement.

§7–516.

(a) (1) In this section the following words have the meanings indicated.

(2) "Designated focus area" means:

(i) a transit–oriented development, defined as a development or project within one–half mile of a Washington Metropolitan Area Transit Authority transit station or one–half mile of a Maryland Area Regional Commuter transit

station, as measured from the main entrance of the building to the nearest entrance of the transit station;

(ii) a revitalization tax credit district, as defined in § 10–235.02 of the Prince George's County Code and designated by the governing body of Prince George's County; or

(iii) an urban renewal area, as designated by the governing body of Prince George's County.

(3) "Economic development project" means a real estate development project that consists of newly constructed or rehabilitated commercial property if the real estate development project:

(i) has a certificate of occupancy issued on or after October 1, 2012;

(ii) is located on one or more parcels of land, all of which are situated in a designated focus area; and

(iii) includes at least one of the following:

1. a hotel that:

A. provides at least 100 full–time equivalent job opportunities; and

B. has a private capital investment of equity and debt combined of at least $20,000,000;

2. an office building that:

A. provides at least 100 full–time equivalent job opportunities; and

B. has a private capital investment of equity and debt combined of at least $20,000,000;

3. a retail facility that:

A. provides at least 100 full–time equivalent job opportunities; and

B. has a private capital investment of equity and debt combined of at least $10,000,000;

4. an off–street parking facility that:

A. contains at least 250 parking spaces; and

B. has a private capital investment of equity and debt combined of at least $2,500,000; or

5. a mixed–use facility that contains one or more of the facilities described in items 1 through 4 of this item, at least one of which satisfies the minimum criteria set forth in item 1, 2, 3, or 4 of this item.

(b) The governing body of Prince George's County, by resolution, may exempt or partially exempt an economic development project from the county real property tax if:

(1) the owner or owners of the economic development project demonstrate to the satisfaction of the County Executive and County Council of Prince George's County:

(i) that the county or its designated agency has conducted an economic analysis of the project, including:

1. a detailed description of the project and the development budget, including the identification of all sources of debt and equity financing;

2. a multiyear cash flow pro forma of the project detailing all incoming and outgoing cash flow revenues, operating expenses, debt service, taxes, capital expenditures, and any other cash outlays;

3. the projected return on investment for the owner or owners;

4. a determination that the project is an economic development project that meets the requirements of this section; and

5. any other relevant analysis;

(ii) the public benefit that the project will provide, including:

1. the number of jobs expected to be created, directly or indirectly, as a result of the project and the percentage of those jobs expected to be held by Prince George's County residents;

2. the wage rates and benefit packages for the jobs expected to be created;

3. other Prince George's County tax revenues, exclusive of real property taxes, that the project is expected to generate during the term of the payment in lieu of taxes agreement, including income, admissions and amusement, personal property, hotel, parking, energy, and other taxes;

4. the encouragement of economic development;

5. the general promotion and improvement of Prince George's County and its facilities;

6. the participation of local minority business enterprises and local business enterprises in the economic development project; and

7. any other relevant benefits;

(iii) the financial necessity for an exemption authorized under this section; and

(iv) that the private capital being invested in the economic development project includes an equity investment that is:

1. commensurate with the overall undertaking; and

2. A. for a hotel or an office building, an amount greater than or equal to 10% of the combined equity and debt investment; or

B. for an off–street parking facility, an amount greater than or equal to $250,000;

(2) the owner or owners of the economic development project and the governing body of Prince George's County enter into a payment in lieu of taxes agreement or multiple payment in lieu of taxes agreements for different phases of the economic development project that specify:

(i) an amount that the owner or owners shall pay to the county each year in lieu of the payment of county real property taxes during the term of the agreement that is not less than the sum of:

1. the taxes on the property before the construction or rehabilitation of the project; and

2. 25% of the county real property taxes related to the economic development project that would have otherwise been due absent the agreement;

(ii) the term of the agreement, not to exceed 15 years from the date a certificate of occupancy is first issued for the project or the date a certificate of occupancy is first issued for any phase of the project that is covered by the agreement; and

(iii) that each year after the expiration of the agreement, full property taxes shall be payable on the property;

(3) prior to or no later than 18 months from the date of entering into the payment in lieu of taxes agreement, construction of the project or any phase of the project that is covered by the agreement has commenced and all conditions for the financing required for the construction of the project or phase of the project that is covered by the agreement have been satisfied or waived; and

(4) the authorizing resolution states that the project may not involve gambling activities.

(c) On or before January 1 of each year, the Prince George's County Executive or the County Executive's designated agency shall submit a report to the Prince George's County Council and, in accordance with § 2–1257 of the State Government Article, to the Prince George's County House and Senate Delegations of the General Assembly of Maryland that contains:

(1) a description of each project for which the county entered into a payment in lieu of taxes agreement under this section during the prior fiscal year, including a statement of:

(i) the basis on which each project met the requirements for the definition of an economic development project set forth in subsection (a) of this section; and

(ii) the analysis of the project described in subsection (b)(1) of this section; and

(2) for those projects that have a payment in lieu of taxes agreement and for which construction or rehabilitation has been completed:

(i) the number and types of jobs created during the preceding fiscal year and estimated to be created during the following fiscal year;

(ii) the total taxes that the project is estimated to have generated directly and indirectly for the county during the preceding fiscal year and estimated to be generated during the following fiscal year; and

(iii) any other economic benefits of the project.

§7–517.

(a) The governing body of Calvert County may enter into an agreement with the owner of a facility for the liquefaction of natural gas that is located or locates in the county for a negotiated payment by the owner in lieu of taxes on the facility.

(b) An agreement for a negotiated payment in lieu of taxes under this section shall provide that, for the term specified in the agreement:

(1) the owner shall pay to the county a specified amount each year in lieu of the payment of county real, operating real, personal, or operating personal property tax; and

(2) all or a specified part of the real, operating real, personal, or operating personal property at the facility shall be exempt from county property tax for the term of the agreement.

(c) As specified in an agreement for a negotiated payment in lieu of taxes under this section, for the term specified in the agreement, the real, operating real, personal, or operating personal property at a facility for the liquefaction of natural gas that is located or locates in the county is exempt from county property tax.

(d) On the written request of the governing body of Calvert County, the supervisor shall assess the real, operating real, personal, or operating personal property of the owner of a facility for the liquefaction of natural gas with whom the county has entered into a payment in lieu of taxes agreement under this section.

§7–518.

(a) In this section, "affordable housing land trust" and "affordable housing land trust agreement" have the meanings stated in § 14–501 of the Real Property Article.

(b) The governing body of Frederick County may exempt real property from the Frederick County property tax if the real property is:

(1) owned by an affordable housing land trust; and

(2) not subject to an affordable housing land trust agreement.

§7–519.

(a) (1) In this section the following words have the meanings indicated.

(2) "Community–managed open space" means a local park, garden, woods, or other predominantly undeveloped area that is utilized and cared for by the local community in a natural or cultivated state for the general benefit of the local community.

(3) "Community open space management entity" means a nonprofit organization that has a cooperative agreement with the Maryland Environmental Trust and the purposes of which are primarily to:

(i) preserve community–managed open spaces in fully developed areas;

(ii) acquire, sell, lease, transfer, manage, establish, or hold easements to parcels of land for use as community–managed open space in fully developed areas; and

(iii) encourage, support, and facilitate the participation of communities in the beautification, maintenance, and preservation of community–managed open spaces in fully developed areas.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may exempt property owned by a community open space management entity from the county or municipal property tax.

(c) The governing body of a county or municipal corporation may enact regulations, procedures, and any other provision necessary to carry out the exemption under this section.

§7–520.

(a) (1) In this section the following words have the meanings indicated.

(2) "Economic development project" means a real estate development project in Anne Arundel County that consists of newly constructed or rehabilitated commercial property if the property has not been the subject of a condemnation or eminent domain proceeding undertaken for purposes related to the project.

(3) "Public benefit" means a unique and quantifiable service to be provided by the economic development project for the benefit of schools, public safety, or other local government services beyond that which would arise generally from a private business development project.

(b) The governing body of Anne Arundel County may exempt or partially exempt an economic development project from the county real or personal property tax if:

(1) the owner of the economic development project demonstrates to the satisfaction of the Anne Arundel County Executive and County Council of Anne Arundel County that the project is an economic development project that provides a public benefit; and

(2) on or before June 30, 2020, the owner of the economic development project and the county enter into a payment in lieu of taxes agreement, approved by ordinance of the County Council, that specifies:

(i) any amount that the owner of the economic development project shall pay to the county each year in lieu of the payment of county real or personal property taxes during the term of the agreement;

(ii) any services that the economic development project shall provide to the county each year of the term of the payment in lieu of taxes agreement;

(iii) the term of the agreement; and

(iv) that each year after the expiration or termination of the agreement, full real and personal property taxes shall be payable on the property.

(c) The owner of the economic development project and the county may modify any payment in lieu of taxes agreement entered into on or before June 30, 2020, if the modification is approved by ordinance of the County Council.

§7–521.

(a) In this section, "moderate income" and "moderate income housing unit" have the meanings stated in Title 13, Subtitle 4 of the Howard County Code.

(b) In Howard County, real property may be exempt from county property tax if:

(1) the owner of the real property and the governing body of Howard County agree that the owner shall pay a negotiated amount in lieu of the county property tax; and

(2) the owner of the real property enters into an agreement with the governing body of Howard County to maintain a number of residential units located at the real property as housing for moderate income households that exceeds the minimum number of moderate income housing units required by local zoning laws in effect on the date of the agreement.

(c) Real property described in subsection (b) of this section is exempt when the requirements of subsection (b) of this section are met.

(d) (1) The County Executive of Howard County:

(i) shall publish on the county's website the methodology to be used for calculating the negotiated payment amount for an agreement authorized under subsection (b) of this section; and

(ii) subject to paragraph (3) of this subsection, may revise at any time the methodology published under this paragraph.

(2) At least once every 5 years, the County Executive of Howard County shall reevaluate the methodology to be used for calculating a negotiated payment amount for a potential agreement authorized under subsection (b) of this section.

(3) If any revisions are made under paragraph (1)(ii) or (2) of this subsection to the most recently published methodology, the County Executive of Howard County shall publish the revised methodology on the county's website.

(e) The governing body of Howard County may not enter an agreement authorized under subsection (b) of this section unless the negotiated payment amount for the agreement was determined in accordance with the methodology most recently published on the county's website.

§8–101.

(a) For assessment purposes, property shall be divided into classes and subclasses.

(b) Real property is a class of property and is divided into the following subclasses:

(1) land that is actively devoted to farm or agricultural use, assessed under § 8-209 of this title;

(2) marshland, assessed under § 8-210 of this title;

(3) woodland, assessed under § 8-211 of this title;

(4) land of a country club or golf course, assessed under §§ 8-212 through 8-217 of this title;

(5) land that is used for a planned development, assessed under §§ 8-220 through 8-225 of this title;

(6) rezoned real property that is used for residential purposes, assessed under §§ 8-226 through 8-228 of this title;

(7) operating real property of a railroad;

(8) operating real property of a public utility;

(9) property valued under § 8-105(a)(3) of this subtitle;

(10) conservation property, assessed under § 8-209.1 of this title; and

(11) all other real property that is directed by this article to be assessed.

(c) Personal property is a class of property and is divided into the following subclasses:

(1) stock in business;

(2) distilled spirits;

(3) operating personal property of a railroad;

(4) operating personal property of a public utility that is machinery or equipment used to generate electricity or steam for sale;

(5) all other operating personal property of a public utility;

(6) machinery and equipment, other than operating personal property of a public utility, that is used to generate:

(i) electricity or steam for sale; or

(ii) hot or chilled water for sale that is used to heat or cool a building; and

(7) all other personal property that is directed by this article to be assessed.

§8–102.

(a) Except as provided in subsection (b) of this section, the value of real property shall be its value on the date of finality.

(b) The value of the land described in §§ 8-209 through 8-217 and 8-220 through 8-225 of this title shall be its use value on the date of finality as described in those sections.

§8–103.

(a) (1) In this section the following words have the meanings indicated.

(2) "New statewide value" means the phased in value of all real property subject to property tax on January 1 preceding any taxable year, excluding the phased in value of real property assessed for the 1st time during the calendar year beginning on that January 1.

(3) "Phased in value" means for the 1st, 2nd, or 3rd year of a 3-year cycle:

(i) the prior value of real property increased by one-third, two-thirds, or the full amount by which the value increased over the prior value based on a physical inspection of the real property; or

(ii) if the value of real property has not increased, the value determined in the most recent valuation.

(4) "3-year cycle" means a continuous series of 3 calendar year periods beginning for each period with the 1st calendar year after the calendar year in which a physical inspection of real property is made under § 8-104(b) of this subtitle.

(b) On or before January 1 of each year, the Department shall determine the new statewide value.

(c) (1) Except as provided in this subsection, the assessment of real property is its phased in value.

(2) The assessment of the real property described in § 8-102(b) of this subtitle is its phased in use value.

(3) The assessment of the operating real property described in § 8-108(c) of this subtitle is its value.

(4) The assessment of the operating real property described in § 8-109(c) of this subtitle is its value.

§8–104.

(a) Real property shall be valued separately for:

(1) the land; and

(2) the improvements on the land.

(b) (1) Notwithstanding a revaluation under subsection (c) of this section, the Department or supervisor shall value all real property once in every 3–year cycle based on a review of the real property under § 2–203 of this article.

(2) The date of finality for real property that is valued under this subsection is the January 1 immediately before the 1st taxable year to which the assessment based on the new value is applicable.

(c) (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 are made which add at least $100,000 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.

(2) When real property is revalued under this subsection, the Department or supervisor shall:

(i) determine the value that would have resulted if the revaluation had occurred for the 1st year of the 3–year cycle;

(ii) determine the value that would have resulted if the revaluation had occurred for the 1st year of the preceding 3–year cycle; and

(iii) adjust the phased–in value for each of the years remaining in the 3–year cycle to reflect the change that results from the revaluation.

(3) The Department or supervisor shall revalue real property under paragraph (1)(i), (ii), (iv), (v), and (vi) of this subsection on the semiannual date of finality. The revaluation shall be effective for the taxable year beginning on the semiannual date of finality, if the notice under this title is sent no later than 30 days after the semiannual date of finality.

(4) The Department or supervisor shall revalue real property under paragraph (1)(iii) of this subsection on the date of finality, semiannual date of finality, or quarterly date of finality following the substantial completion of the improvements to land.

(d) (1) The local agency responsible for zoning shall provide the supervisor of assessments a list of each zoning classification change within 30 days of the approval of the change.

(2) The list shall identify any zoning classification change initiated or requested by the owner of the property or anyone having an interest in the property.

§8–105.

(a) (1) Except for land that is actively devoted to farm or agricultural use, the supervisor:

(i) may value income producing real property by using the capitalization of income method or any other appropriate method of valuing the real property; and

(ii) shall consider an income method in valuing income producing commercial real property.

(2) For income producing single-family residential real property, the supervisor may value the property by using the same methods that are used for single-family residential real property that is owner-occupied.

(3) In determining the value of commercial real property developed under § 42 of the Internal Revenue Code, the supervisor:

(i) shall consider the impact of applicable rent restrictions, affordability requirements, or any other related restrictions required by § 42 of the Internal Revenue Code and any other federal, State, or local programs;

(ii) may not consider income tax credits under § 42 of the Internal Revenue Code as income attributable to the real property; and

(iii) may consider the replacement cost approach only if the value produced by the replacement cost approach is less than the value produced by the income approach for the property and it is reflective of the value of the real property.

(b) (1) The supervisor shall notify each owner of income producing real property to submit, under oath, on or before May 15 of each year, a current:

(i) income and expense statement for the real property, on the form that the Department requires; or

(ii) annual income and expense statement in another form that is acceptable to the Department.

(2) For income producing real property that has a value in excess of $5,000,000 as listed on the assessment roll, the supervisor shall designate properties for which the owner must provide income and expense information or be subject to a penalty under subsection (e) of this section for failure to provide the information.

(3) For income producing real property that is designated under paragraph (2) of this subsection, the supervisor shall:

(i) include in the notice a statement that a penalty may be assessed under subsection (e) of this section if the owner of real property valued at over $5,000,000 fails to file the income and expense information required under this subsection; and

(ii) send the notice to the owner as determined from the assessment rolls or the owner's registered agent by:

1. first–class certified mail; or

2. e–mail, if within the past 3 years the recipient has provided to the Department an e–mail address and requested to receive the notices by e–mail.

(c) (1) For income producing real property that has a value in excess of $5,000,000 as listed on the assessment roll that is designated under subsection (b)(2) of this section, if the income and expense statement required under subsection (b) of this section is not received by May 15, the Department shall notify the owner that the statement has not been received and that if the statement is still not received by June 15, the penalty specified in subsection (e) of this section will be assessed.

(2) The Department shall send the notice required under paragraph (1) of this subsection to the owner by:

(i) first–class certified mail; or

(ii) e–mail, if within the past 3 years the recipient has provided to the Department an e–mail address and requested to receive the notices by e–mail.

(3) For property other than the property described in paragraph (1) of this subsection, upon request, an extension of up to 30 days may be granted by the supervisor for the filing required by subsection (b) of this section.

(d) The supervisor is not required to accept the expenses or depreciation claimed by the owner and may use other methods to determine these amounts.

(e) (1) This subsection applies only to income producing real property that has a value in excess of $5,000,000 as listed on the assessment roll that is designated under subsection (b)(2) of this section.

(2) If an owner of income producing real property fails to submit income and expense information as required by subsection (b) of this section, by June 15, the supervisor shall assess on the owner of the real property a penalty of $100 per

day up to a maximum equal to 0.1% of the value of the property listed on the assessment roll.

(3) The supervisor shall notify the collector of the county in which the property is located of assessment of a penalty.

(4) The collector shall collect the penalty imposed under this subsection and shall remit the penalty to the State Comptroller.

(5) The penalty imposed under this subsection may be waived by the supervisor for good cause.

(6) If the penalty imposed under this subsection is a direct "pass-through" to a lessee, the lessee shall have a right to recover that amount from the owner.

(f) When requested by the supervisor for valuation purposes, an officer or employee of any county or municipal corporation may provide to the supervisor the amount of income or any particulars disclosed in any tax return filed with the county or municipal corporation.

§8–106.

(a) In this section, "cooperative housing corporation", "cooperative interest", "membership certificate", and "proprietary lease" have the meanings provided under the Maryland Cooperative Housing Corporation Act.

(b) The value of a cooperative interest, a proprietary lease, a membership certificate, or similar items relating to an interest in a cooperative unit may be considered in determining the value of real property owned by a cooperative housing corporation or similar corporation.

§8–107.

(a) Except as provided under § 8-110 of this subtitle, the value of personal property shall be its value on the date of finality.

(b) In valuing any personal property acquired by purchase, lease purchase, or other similar agreement for transfer of title to the personal property after a period of its use, the Department shall consider any sum that is paid to acquire the personal property.

§8–108.

(a) The Department shall annually value the operating unit of a railroad on the basis of the value of the operating property of the railroad, by considering:

(1) the earning capacity of the operating unit; and

(2) all other factors relevant to a determination of the value of the operating unit.

(b) The Department shall allocate to this State the value of that part of the operating unit that is reasonably attributable to the part located in this State.

(c) (1) The value allocated to this State shall be divided into an operating real property value and an operating personal property value, as determined by the Department.

(2) The assessment of operating real property is the value of operating real property less the assessment of operating real property, if any, that is exempt by law from property tax.

(3) The assessment of operating personal property is the value of operating personal property, less the assessment of operating personal property, if any, that is exempt by law from property tax.

(4) Operating land of a railroad is valued and assessed by the Department as part of the operating unit and is not valued and assessed by the supervisor.

(5) Returns, notices, and appeals of operating property assessments shall be administered pursuant to the sections of this article governing personal property assessment.

(d) (1) If operating property is located permanently in more than 1 county or municipal corporation, the Department shall apportion the assessment of that operating property among the counties and municipal corporations where the operating property is located.

(2) If operating property is not located permanently in a county or a municipal corporation, the Department shall apportion the assessment of that operating property among the counties and municipal corporations on the basis of the ratio of the all track mileage, excluding trackage rights, of the railroad operated in each county and any municipal corporation, to the total of all track mileage, excluding trackage rights, operated in this State.

(e) The Department may adopt regulations to carry out the provisions of this section.

§8–109.

(a) The Department shall annually value the operating unit of a public utility on the basis of the value of the operating property of the public utility, by considering:

(1) the earning capacity of the operating unit; and

(2) all other factors relevant to a determination of value of the operating unit.

(b) The Department shall allocate to this State the value of that part of the operating unit that is reasonably attributable to the part located in this State.

(c) (1) From the value allocated to this State under subsection (b) of this section, the Department shall deduct:

(i) the fair average value of fuel that represents the percentage reduction or exemption authorized by §§ 7–108, 7–222, and 7–226 of this article; and

(ii) the assessment of operating property, if any, that is exempt by law from property tax.

(2) (i) The value remaining after making the deductions shall be divided into an operating real property value and an operating personal property value, as determined by the Department.

(ii) The value of operating real property is the assessment of operating real property of a public utility.

(iii) The value of operating personal property is the assessment of operating personal property of a public utility.

(3) Operating land of a public utility is valued and assessed by the Department as part of the operating unit and is not valued and assessed by the supervisor.

(4) The provisions of this subsection are not intended to alter the law as codified in former Article 81 of the Code that was in effect as of January 31, 1986.

(5) Returns, notices, and appeals of operating property assessments shall be administered pursuant to the sections of this article governing personal property assessments.

(d) For operating property of a public utility, the Department shall apportion the assessment of that operating property among the counties and municipal corporations where the operating property is located.

(e) (1) In determining whether to classify a company as a public utility, the Department shall consider and evaluate whether the company:

(i) is subject to the authority of a regulatory body of the State or the federal government, such as the Maryland Public Service Commission, the Federal Communications Commission, or the Federal Energy Regulatory Commission;

(ii) uses a significant portion of the real and personal property used in its business operations as an integrated whole or unit;

(iii) provides a basic service to the public; and

(iv) owns or uses assets that are most appropriately appraised using the unit valuation method.

(2) Notwithstanding a company's failure to meet all of the criteria under paragraph (1) of this subsection, the Department may classify the company as a public utility if the Department determines that the company predominantly meets the criteria.

(f) The Department may adopt regulations to carry out the provisions of this section.

§8–110.

(a) (1) In this section the following words have the meanings indicated.

(2) "Fair average value" means the average of the fair value of stock in business for the number of months of a year in which the stock in business was in existence.

(3) "Fair value" means the lesser of the cost or the value of stock in business.

(4) "Stock in business":

(i) means the inventory of a commercial or manufacturing business that is engaged in business in this State; and

(ii) does not include a used motor vehicle of a registered motor vehicle dealer if that vehicle is:

1. titled in this State; and

2. acquired by a dealer as partial payment of the purchase price of another motor vehicle.

(b) Stock in business shall be valued to the owner of the stock in business at its fair average value on the date of finality.

§8–112.

(a) (1) In this section the following words have the meanings indicated.

(2) "Distiller" includes:

(i) the owner or proprietor of a bonded or other warehouse where distilled spirits are stored; or

(ii) a person who has custody of distilled spirits.

(3) "Fair value" means the lesser of:

(i) the cost, not reduced by any allowance for inflation; or

(ii) market value, not reduced by any allowance for inflation.

(b) If a county subjects distilled spirits to the personal property tax, on or before March 15 of each year, a distiller shall submit to the Department a report of the fair value of distilled spirits held by the distiller in the county.

(c) (1) Distilled spirits shall be valued at the fair value of the spirits on January 1 of the year in which the report is made.

(2) The value of the same distilled spirits may not be reported more than 1 time in any period of 12 months.

(d) The distiller shall pay the property tax on the distilled spirits held by the distiller.

§8–113.

Interests subject to property tax under § 6-102 of this article shall be valued as if the lessee, person in possession, or user of the property were the owner of the property.

§8–114.

(a) In this section, "hoophouses" means temporary structures placed on land that are made of plastic attached to hoop–like supports and used for agricultural purposes.

(b) A hoophouse shall be valued as personal property unless:

(1) the supports for the hoophouse are affixed to the land with cement or similar material; or

(2) the hoophouse is placed on a cement or other foundation.

§8–201.

The Department shall assess:

(1) operating property of a railroad or a public utility;

(2) business tangible personal property that is subject to property tax; and

(3) distilled spirits, as set forth in § 8-112 of this title.

§8–202.

Except as provided in § 8-201 of this subtitle, all property that is subject to property tax shall be assessed by the supervisor for the county where the property is located.

§8–203.

An assessment or value of real property continues in effect from year to year until changed as provided by this title.

§8–204.

(a) Personal property subject to assessment shall be assessed annually.

(b) The assessment of personal property for the date of finality is based on:

(1) information required to be included in the report to be filed under § 11-101 of this article by April 15 following the date of finality; or

(2) if a report is not filed or is incomplete, any available information that the Department has.

§8–205.

(a) When a property assessment is changed as the result of an appeal of its value, the supervisor or the Department shall consider the facts and reasons stated in the decision on the appeal when next reviewing the assessment of the property.

(b) When conducting subsequent reassessments of the property, the supervisor or the Department:

(1) may not automatically eliminate a reduction in the assessment of the property that was granted by a property tax assessment appeal board or the Maryland Tax Court; and

(2) may eliminate a reduction in the assessment of the property granted by a property tax assessment appeal board or the Maryland Tax Court if the specific reason for the reduction no longer applies.

(c) If the value or classification of real property is appealed as provided by Title 14, Subtitle 5 of this article, the appeal shall be noted in the assessment worksheet or card that relates to the property whose value or classification was appealed.

§8–207.

(a) Each unit in a condominium and the undivided interest in common elements shall be valued as provided by § 8-104 of this title.

(b) Each condominium unit is separately listed in the assessment records of the county where the condominium is located.

(c) A sale or forfeiture of a unit for failure to pay the property tax, general or special assessments, or other charges is applicable only to the unit subject to sale or forfeiture. A sale or forfeiture of a unit may not affect the title to any other unit for which all taxes, assessments, or charges have been paid.

§8–209.

(a) The General Assembly declares that it is in the general public interest of the State to foster and encourage farming activities to:

(1) maintain a readily available source of food and dairy products close to the metropolitan areas of the State;

(2) encourage the preservation of open space as an amenity necessary for human welfare and happiness; and

(3) prevent the forced conversion of open space land to more intensive uses because of the economic pressures caused by the assessment of the land at rates or levels incompatible with its practical use for farming.

(b) It is the intention of the General Assembly that the assessment of farmland:

(1) be maintained at levels compatible with the continued use of the land for farming; and

(2) not be affected adversely by neighboring land uses of a more intensive nature.

(c) Land that is actively used for farm or agricultural use shall be valued on the basis of that use and may not be valued as if subdivided.

(d) Land that is valued under subsection (c) of this section shall be assessed on the basis of its use value.

(e) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Agrivoltaics" has the meaning stated in § 7–237 of this article.

(iii) "Community solar energy generating system" has the meaning stated in § 7–306.2 of the Public Utilities Article.

(2) Except as provided in paragraph (4) of this subsection, the Department shall establish in regulations criteria to determine if land that appears to be actively used for farm or agricultural purposes:

(i) is actually used for farm or agricultural purposes; and

(ii) qualifies for assessment under this section.

(3) The criteria shall include:

(i) the zoning of the land;

(ii) the present and past use of the land including land under the Soil Bank Program of the United States;

(iii) the productivity of the land, including timberlands and reforested lands; and

(iv) the gross income that is derived from the agricultural activity.

(4) (i) This paragraph applies through the life cycle of a community solar energy generating system that:

1. is placed in service after June 30, 2022; and

2. has been approved on or before December 31, 2025, as a community solar energy generating system by the Public Service Commission under § 7–306.2 of the Public Utilities Article.

(ii) The Department shall assess and qualify land that is used by a community solar energy generating system for agrivoltaics as land that is actively used for farm or agricultural purposes.

(f) In administering this section, periodically, the Director shall consult with:

(1) the Secretary of Agriculture;

(2) officials of the State who are knowledgeable in agriculture;

(3) representatives of the agricultural community;

(4) officials of counties and municipal corporations; and

(5) other persons as determined by the Director.

(g) (1) In this subsection the following words have the meanings indicated:

(i) "actively used" means land that is actually and primarily used for a continuing farm or agricultural use;

(ii) "agricultural land unit" means the combination of not more than 3 parcels of land when the parcels are:

1. located in the same county; and

2. under the same ownership;

(iii) "average gross income" means the average of the 2 highest years of gross income during a 3–year period;

(iv) "family farm unit" means not more than 1 parcel of land of less than 20 acres for each immediate family member for land that is:

1. contiguous to land receiving the farm or agricultural use assessment; and

2. owned by a member or members of the immediate family of the owner of the farm or agricultural use land; and

(v) "gross income" means the actual income that is received in a calendar year that results directly from the farm or agricultural use of the land.

(2) In determining if a parcel of land of less than 20 acres, or not zoned for agricultural use, is actively used, the Department may require the owner of the land to affirm, under oath, on a standard form provided by the Department that the farm or agricultural use of the land results in an average gross income of at least $2,500 from the parcel or the agricultural land unit.

(3) The Department may require an owner who submits an affirmation under paragraph (2) of this subsection to verify the gross income from the land by providing:

(i) copies of sales receipts or invoices;

(ii) lease agreements; or

(iii) other documents required by the Department.

(4) An affirmation under paragraph (2) of this subsection shall be filed before July 1 of the taxable year.

(5) If land that appears to be actively used does not yield an average gross income of $2,500, the Director shall waive the gross income requirement on finding that:

(i) the land is leased and the nature of the farm or agricultural use of the land when related to the amount of the land in farm or agricultural use reasonably would be expected to yield an average gross income of at least $2,500;

(ii) the nature of the farm or agricultural use of the land and the amount of the land in farm or agricultural use reasonably would be expected to yield an average gross income of at least $2,500 from the agricultural products, if sold, that are derived from the use of the land;

(iii) a drought or other natural cause has adversely affected the income–producing capability of the land during a 3–year period; or

(iv) for a newly established farm or agricultural use, the nature of the use and the amount of the land in farm or agricultural use reasonably would be expected to yield an average gross income of at least $2,500 if the use had existed for a 3–year period.

(6) The Director may grant only the following additional waivers:

(i) under paragraph (5)(iii) of this subsection, for 1 additional consecutive 3–year period; and

(ii) under paragraph (5)(iv) of this subsection, for 1 additional consecutive 3–year period.

(7) The gross income requirement of paragraph (2) of this subsection does not apply if the land is actively used as a family farm unit.

(8) For purposes of qualifying for the agricultural use assessment under this section, the following real property is deemed to be a single contiguous parcel:

(i) parcels that are created or separated by roads, easements, or other rights–of–way; and

(ii) land relating to a right–of–way that reverts back to its owner's use for purposes of farming.

(h) (1) Subject to paragraph (2) of this subsection, the following land does not qualify to be assessed under this section:

(i) land rezoned to a more intensive use than the use that immediately preceded the rezoning, if a person with an ownership interest in the land has applied for or requested the rezoning;

(ii) land used as a homesite, which means the area of land that is reasonably related to a dwelling;

(iii) parcels of land of less than 3 acres that are under the same ownership excluding the homesite unless:

1. the land is owned by an owner of adjoining land that is receiving the farm or agricultural use assessment and is actively used;

2. the owner receives at least 51% of the owner's gross income from the active use; or

3. the parcels are part of a family farm unit;

(iv) if part of a subdivision plat, parcels of land of less than 10 acres that are owned by an owner of 5 other parcels of land of less than 10 acres each that are located in the same county and that are receiving the farm or agricultural use assessment;

(v) parcels of woodland of less than 5 acres excluding the homesite; or

(vi) land that fails to meet the gross income requirement of subsection (g) of this section.

(2) No more than 2 parcels of less than 3 acres under the same ownership may qualify for the agricultural use assessment.

(i) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Surviving spouse" means the surviving spouse of the property owner who applied for the waiver under this subsection if the surviving spouse has not remarried and had a legal interest in the property at the time of the application for the waiver.

(iii) "3–year cycle" has the meaning stated in § 8–103 of this title.

(2) The Director may grant a waiver from the requirements of subsection (e) or (g) of this section if:

(i) the property owner is at least 70 years of age;

(ii) the property owner applies to the Department for a waiver of the requirements of either subsection (e) or (g) of this section;

(iii) the land has not changed ownership during the two previous 3–year cycles; and

(iv) the land has been assessed for at least the two previous 3–year cycles on the basis of farm or agricultural use under the law or regulations of the Department that were in effect as of the date of the application.

(3) The Director may grant a waiver from the requirements of subsection (e) or (g) of this section if:

(i) the property owner becomes disabled and is unable to continue the farm or agricultural use of the land;

(ii) the property owner applies to the Department for a waiver of the requirements of either subsection (e) or (g) of this section;

(iii) the property owner engaged in farm or agricultural use activities on the land prior to the disability; and

(iv) the land has been assessed for at least the two previous 3–year cycles on the basis of farm or agricultural use under the law or regulations of the Department that were in effect as of the date of the application.

(4) Any waiver granted under this subsection shall be in effect until:

(i) the transfer of the property; or

(ii) the later of the death of the property owner who received the waiver or the death of the surviving spouse.

(5) The Department may adopt regulations to carry out the provisions of this subsection.

§8–209.1.

(a) In this section, "conservation property" means land that is subject to a perpetual conservation easement, including an easement that is sold or donated:

(1) to the Maryland Agricultural Land Preservation Foundation;

(2) to the Maryland Environmental Trust;

(3) to a land trust as defined in § 3–2A–01 of the Natural Resources Article; or

(4) under another public land conservation or preservation program.

(b) Conservation property shall be valued at a rate equivalent to the highest rate that is used to value land that is eligible for agricultural use assessment under § 8–209 of this subtitle.

(c) Notwithstanding § 8–209(c) of this subtitle, conservation property is not required to be actively used for farm or agricultural purposes to be eligible for valuation as provided in this section.

§8–210.

Marshland shall be valued at a rate established in regulations adopted by the Department and less than the lowest agricultural land rate.

§8–211.

(a) (1) In this section the following words have the meanings indicated.

(2) "Agreement" means an agreement made under subsection (c) of this section.

(3) "Program" means the forest conservation and management program.

(b) The Department of Natural Resources shall establish the program to:

(1) encourage the preservation or development of land for productive woodland purposes;

(2) increase the income of persons in the State from the sale of timber;

(3) prevent flooding of land and the loss of the State's soil;

(4) provide wooded areas for the use and enjoyment of all individuals in the State; and

(5) promote the welfare and assets of the State.

(c) The owner of at least 5 contiguous acres of land may make an agreement with the Department of Natural Resources to place the land in the program.

(d) A memorandum of the agreement shall be recorded in each county where the land is located under §§ 3–102 and 3–103 of the Real Property Article. The woodland owner shall pay for recording the memorandum.

(e) (1) The owner of land that is subject to an agreement shall promptly notify:

(i) the supervisor of the county where the land is located that the land is subject to an agreement;

(ii) before a sale or transfer, a prospective buyer or transferee that the land is subject to an agreement; and

(iii) within 30 days of a sale or transfer, the Department of Natural Resources.

(2) The requirements applicable to an owner under paragraph (1) of this subsection shall apply to:

(i) a successor, heir, or assign of the owner; and

(ii) as applicable, the personal representative of the owner's estate.

(f) (1) Except for an agreement made on or before July 1, 1984, an agreement shall be for at least 15 years.

(2) Consecutive agreements shall be deemed a single agreement from the date of the original agreement.

(g) An agreement may be assigned and transferred to a buyer of all or part of the land that is subject to the agreement, if:

(1) the buyer assumes the obligation of the agreement;

(2) the agreement is transferred to the buyer by the landowner or the landowner's successors, heirs, or assigns; and

(3) property tax on an assessment under subsection (i) of this section is not due.

(h) Except as provided in subsection (i) of this section, the value of woodland for assessment purposes in effect at the beginning of an agreement may not be increased for the period covered by the agreement.

(i) (1) Woodland shall be reassessed when:

(i) an agreement ends and is not renewed as provided in subsection (f)(2) of this section;

(ii) timber is harvested, unless harvested according to the plan approved by the Department of Natural Resources;

(iii) land subject to an agreement is conveyed to a new owner except as provided in subsection (g) of this section; or

(iv) an agreement is ended by the Department of Natural Resources at the request of the owner or because the owner has not complied with the agreement.

(2) If only part of the land subject to an agreement is conveyed or only part of the timber is harvested, the reassessment shall be only for the part of land conveyed or the part of land on which the timber is harvested.

(j) If the assessment under subsection (i)(1)(ii) through (iv) of this section is greater than the value used to determine the assessment under subsection (h) of this section, the difference between the 2 valuations is computed in approximately equal annual steps that cover the number of taxable years between the 2 valuations, and the agreement holder owes property tax for each taxable year payable at the property tax rates applicable for each taxable year.

(k) (1) Subject to the provisions of this subsection and any pertinent local laws, a woodland owner who has 50 or more contiguous acres subject to an agreement may subdivide the property and transfer to a child of the owner a building lot for the purposes of constructing a dwelling unit on the lot without liability for prior taxable years under subsection (j) of this section.

(2) A building lot transferred under this subsection may not exceed:

(i) 1 acre; or

(ii) if local law or regulations adopted by the Department of the Environment require that the minimum size of a building lot exceed 1 acre, the minimum size required under local law or regulations adopted by the Department of the Environment.

(3) A woodland owner may not transfer under this subsection more than one building lot for every 10 acres subject to the agreement or more than one building lot to each child of the owner.

(4) (i) A woodland owner shall apply to the Department of Natural Resources for a modification of an agreement under this subsection.

(ii) On approval by the Department of Natural Resources, the woodland owner shall notify the supervisor of the county where the land is located.

(iii) The supervisor shall reassess that portion of the property removed from the program and establish the property as a separate account in the assessment records of the county.

(5) A modification of an agreement under this subsection shall be recorded in each county where the building lot is located under §§ 3–102 and 3–103 of the Real Property Article. The woodland owner shall pay for recording the modification.

(6) A modification of an agreement under this subsection is not subject to a penalty under subsection (l) of this section.

(l) An agreement holder shall pay the Department of Natural Resources a penalty of $100 if an agreement is terminated as a result of noncompliance or at the request of the owner.

(m) (1) Land that is removed from an agreement by eminent domain or other involuntary proceeding is not subject to:

(i) reassessment under subsection (i) of this section; or

(ii) penalty under subsection (l) of this section.

(2) If only part of the land subject to an agreement is removed by eminent domain or other involuntary procedure the supervisor shall:

(i) apportion the assessment and enter the removed part as a separate assessment on the tax roll; and

(ii) adjust the assessment of the land that remains under the agreement to reflect the change.

(n) This section does not affect any benefit charge or other special charge that applies to woodland.

(o) This section does not apply to the valuation or assessment of improvements or agricultural, mineral, or other nonforest values on land that is subject to an agreement.

(p) The Department of Natural Resources may set reasonable fees for the development of management plans, original agreements, and conducting inspections. The fees shall be designed to cover the administrative costs of conducting the program.

§8–212.

(a) A golf course that is open to the public is eligible to be assessed under §§ 8-213 through 8-218 of this subtitle if it is located on at least 50 acres of land on which is maintained a regular or championship golf course of at least 9 holes.

(b) A country club is eligible to be assessed under §§ 8-213 through 8-218 of this subtitle if it:

(1) has at least 100 members, who pay dues averaging $50 or more annually for each member;

(2) restricts use of its facilities primarily to members, families, and guests; and

(3) is located on at least 50 acres of land, on which is maintained:

(i) a regular or championship golf course of at least 9 holes; and

(ii) a clubhouse.

§8–213.

(a) (1) In this section the following words have the meanings indicated.

(2) "Agreement" means an agreement made under subsection (b) of this section.

(3) "Assessment rate index" means the percentage, if any, by which the amount of the State assessable base for the taxable year exceeds the average annual amount of the State assessable base in the immediately preceding assessment cycle.

(4) "State assessable base" means the total assessable base, as determined by the Supervisor of Assessments, of all real property in the State subject to taxation.

(b) The Department may make agreements with country clubs and golf courses that specify the manner of assessing the land of a country club or golf course. All agreements shall contain uniform provisions.

(c) (1) (i) Except as provided in paragraph (2) of this subsection and subject to subparagraphs (iii) and (iv) of this paragraph, the land of a country club or golf course that is actively used as a country club or golf course that meets the requirements of § 8–212 of this subtitle shall be valued:

1. at rates equivalent to land assessed under § 8–219 of this subtitle, if the land is subject to an agreement entered into before June 1, 2020, that has not been extended for a term of years beginning on or after June 1, 2020; or

2. at the rates specified under subparagraph (ii) of this paragraph, if the land is subject to an agreement entered into:

A. on or after June 1, 2020; or

B. before June 1, 2020, that is extended for a term of years beginning on or after June 1, 2020.

(ii) The land of a country club or golf course subject to an agreement described under subparagraph (i)2A of this paragraph shall be valued, for the date of finality next following the date of the agreement, at the lesser of:

1. market value per acre; or

2. $5,000 per acre.

(iii) The land of a country club or golf course subject to an agreement described under subparagraph (i)2B of this paragraph shall be valued, for the assessment cycle next following the date of the extension, at the lesser of:

1. market value per acre; or

2. $5,000 per acre.

(iv) The rate of valuation required for the land of a country club or golf course under subparagraphs (ii)2 and (iii)2 of this paragraph shall be increased triennially by an amount equal to the product of multiplying:

1. the greater of:

A. the valuation rate for the last assessment of the land; or

B. $5,000 per acre; and

2. the assessment rate index.

(2) If the land of a country club or golf course that meets the requirements of § 8–212 of this subtitle has a greater market value than its value when used as a country club or golf course, the land shall also be assessed on the basis of the greater value.

(3) Except as provided under § 8–216 of this subtitle, the property tax payable by a country club or golf course under this section is based on the assessment of the land under paragraph (1) of this subsection.

(4) If an assessment is made on the greater value under paragraph (2) of this subsection, the assessment records for the country club or golf course shall record the assessment under paragraphs (1) and (2) of this subsection.

(5) Any assessment of the land of a country club or golf course under this section is effective on the date of finality next following the date of an agreement.

(d) (1) An agreement shall be for at least 10 consecutive years or for a longer period as determined by the country club or golf course and the Department.

(2) An agreement may be extended, but only in increments of at least 5 years.

§8–214.

(a) If a country club or golf course that meets the qualifications of § 8–212 of this subtitle allows or practices discrimination based on race, color, creed, sex, sexual orientation, gender identity, disability, or national origin in granting membership or guest privileges, the country club or golf course may not make or continue an agreement under this subtitle.

(b) A country club or golf course may not discriminate or retaliate against any person who has opposed any discrimination practice prohibited by subsection (a) of this section or who has filed a complaint, testified, or assisted a party in any manner in an investigation, proceeding, or hearing conducted under § 8-215 of this subtitle.

§8–215.

(a) (1) A person claiming to be aggrieved by discrimination prohibited by § 8-214 of this subtitle may file a sworn, written complaint with the Attorney General.

(2) The Attorney General or the Attorney General's designee shall investigate all written complaints.

(3) The Attorney General may initiate an investigation of a suspected violation.

(4) If there is reasonable cause for believing that a country club or golf course has practiced or is practicing discrimination in violation of § 8-214 of this subtitle, the Attorney General or the Attorney General's designee shall hold a hearing to determine the existence of the alleged violation.

(5) The Attorney General or the Attorney General's designee may:

(i) administer oaths; and

(ii) issue subpoenas to compel the attendance and testimony of witnesses or the production of books, papers, records, and documents.

(b) If the Attorney General finds evidence of a pattern or practice of discrimination, the Attorney General shall make a consent agreement with the country club or golf course to end the discrimination.

(c) If a country club or golf course refuses to make a consent agreement, or breaches or violates a consent agreement, the Attorney General shall issue an order to the country club or golf course to end the discrimination.

(d) (1) If a country club or golf course fails to comply with an order issued under subsection (c) of this section, the country club or golf course may not be assessed as a country club or golf course under § 8-213 of this subtitle until the Attorney General determines that the country club or golf course complies with the order.

(2) A country club or golf course that has failed to comply with an order issued under subsection (c) of this section shall be assessed as if there were no agreement under § 8-213 of this subtitle. However, the country club or golf course is not liable for the unpaid taxes described in § 8-216 of this subtitle.

(e) A country club or golf course may appeal any action taken under this section as provided by §§ 10-222 and 10-223 of the State Government Article.

(f) (1) If a country club or golf course fails to provide information requested by the Attorney General to investigate a charge of discrimination, the Attorney General may request that the circuit court for the county in which the country club or golf course is located issue a subpoena for the information.

(2) If the circuit court finds that the information sought relates to proof of discrimination by a country club or golf course, the court shall issue a subpoena for the information.

(g) (1) After a complaint has been filed, the Attorney General may bring an action to obtain a temporary injunction.

(2) The action shall be brought in the circuit court for the county where the country club or golf course which is the subject of the alleged discrimination is located.

§8–216.

(a) (1) Except as provided in § 8–217 of this subtitle, a property tax is due, for the amount of the difference, if any, between the assessment of the land under § 8–213(c)(1) and (2) of this subtitle, when before the end of an agreement made under § 8–213 of this subtitle any land subject to the agreement:

(i) is conveyed to a new owner;

(ii) ceases to be used as a country club or golf course; or

(iii) fails to meet the qualifications for a country club or golf course under this subtitle.

(2) The property tax shall be calculated at the tax rate applicable for each taxable year.

(b) (1) Except as provided in paragraph (2) of this subsection, a property tax is due for each taxable year beginning with the first taxable year in which the land was assessed under § 8–213(c)(1) or (2) of this subtitle and ending with the taxable year in which the property tax becomes due under subsection (a) of this section.

(2) The period for which the property tax is due may not exceed 10 years.

(c) (1) Except as provided by § 8–217 of this subtitle, if during the 10–year period following the year in which an agreement made under § 8–213 of this subtitle is ended, the land subject to the agreement is conveyed to a new owner, a deferred property tax is due.

(2) The deferred property tax is due for a 10–year period ending with the year in which the land subject to an agreement is conveyed. The amount of the deferred property tax is the difference, if any, between the assessment of the land under § 8–213(c)(1) and (2) of this subtitle.

(d) If during the period specified in subsection (b) or (c) of this section for which a property tax is due, any part of land subject to the agreement is conveyed and the remaining part continues to qualify as a country club or golf course under this subtitle, the property taxes that are due under subsection (b) or (c) of this section are based only on the assessment of the part of the land that is conveyed.

(e) Notwithstanding any period of limitation imposed by this article, a property tax that is due under this section is a lien on the land of the country club or golf course to which the tax is applicable until the tax is paid or ended by operation of law.

§8–217.

If a purchaser of all or any part of the land of a country club or golf course accepts the obligations of an agreement made under § 8-213 of this subtitle, the agreement is transferred to the purchaser. Property tax is not due under § 8-216 of this subtitle on a conveyance of land of a country club or golf course under this section.

§8–218.

To administer the country club and golf course assessment provisions of this subtitle, the Department shall:

(1) adopt uniform regulations; and

(2) prepare and distribute any forms that are required.

§8–219.

(a) (1) In this section the following words have the meanings indicated.

(2) "Easement" means an interest in land that:

(i) is conveyed or assigned in perpetuity or for a fixed period of time to the Nature Conservancy or to a government or unit of a government; and

(ii) limits use of the land to preserve the natural open character of the land.

(3) "Natural open character" means an area of great natural scenic beauty, open space, natural conditions, or present use that:

(i) enhances the present or potential value of adjacent development; or

(ii) maintains or enhances the conservation of natural or scenic resources.

(b) Any land subject to an easement shall be assessed on the basis of its value as required by this subtitle, but the value shall be adjusted by the effect of the easement on the land.

(c) The Department shall adopt regulations establishing the value of land assessed under this section.

§8–220.

(a) The General Assembly states that it is in the public interest to provide for the development of lands in a planned manner.

(b) The development of lands in a planned manner is necessary to:

(1) obtain economic and environmental benefits;

(2) relieve economic pressures that result from the assessment of planned development land at levels inconsistent with planned development;

(3) aid the assembly of land for planned development land;

(4) facilitate cooperation among landowners; and

(5) permit holding of planned development land in an undeveloped status for orderly and staged improvement, particularly for the development of new communities.

§8–221.

Land that is assessed under § 8-222 of this subtitle must:

(1) be located in an area shown on a current master plan or a general or regional plan, or otherwise designated for planned development by a plan adopted by the county or municipal corporation that has planning or zoning jurisdiction over the land;

(2) be zoned in a classification that:

(i) permits development only under the plans listed in item (1) of this section;

(ii) requires a land use and comprehensive site development or subdivision plan, approved before development by the county or municipal corporation that has planning or zoning jurisdiction over the land, if those plans consider:

1. land use;

2. utility requirements;

3. highway needs;

4. water and sewers;

5. industrial uses;

6. economic and job opportunities; and

7. recreation and civic life; and

(iii) requires the owner of the land to pay for or provide the following public facilities that are usually paid for or provided by a county or

municipal corporation or a unit of the county or municipal corporation under other zoning classifications:

1. streets and roads;

2. walkways;

3. open spaces;

4. parks;

5. school sites; and

6. other property needed for public use;

(3) except for intervening rights-of-way, easements, or grants for public or quasi-public uses, be contiguous tracts of land of not less than 500 acres owned by 1 or more persons; and

(4) be primarily undeveloped at the time the land is placed in the zoning classification.

§8–222.

(a) To be assessed as planned development land under this section, the owner must apply to the supervisor.

(b) (1) Subject to paragraph (2) of this subsection, if the supervisor finds that the land meets the criteria of § 8–221 of this subtitle, the land shall be assessed at the rate equal to farm or agricultural land under § 8–209 of this subtitle.

(2) In Howard County, for Howard County property tax purposes, a planned development land assessment is available for qualified land for no more than 20 consecutive years beginning with the taxable year following the calendar year in which the land initially qualifies under paragraph (1) of this subsection.

(c) Except as provided by § 8–224 of this subtitle, property tax due on planned development land shall be based on the assessment of the land under this section and not on a greater assessment determined under § 8–223 of this subtitle.

§8–223.

(a) If land assessed under § 8-222 of this subtitle has a greater value than its value as planned development land, the land shall be assessed on the basis of both

the greater value and the assessment under § 8-222 of this subtitle. When land is assessed under this section on the greater value, both assessments shall be recorded in the assessment records.

(b) Any assessment made under this section or § 8-222 of this subtitle is subject to the notice and appeal procedures of this article for real property.

§8–224.

(a) (1) If a part of any land that meets the requirements of § 8–221 of this subtitle is subdivided by a recorded plat or is improved by the construction of permanent buildings, the assessment of that part under § 8–222 of this subtitle shall be terminated, and the part shall be assessed as provided under § 8–104 of this title.

(2) The remaining part of the land described under paragraph (1) of this subsection may continue to be assessed under § 8–222 of this subtitle if the remainder meets all of the requirements of § 8–221 of this subtitle other than the 500–acre requirement.

(b) (1) If a part of any land that meets the requirements of § 8–221 of this subtitle is rezoned at the request of the owner to a zoning classification that does not meet the requirements of § 8–221 of this subtitle, the assessment of that part under § 8–222 of this subtitle shall be terminated and the part shall be assessed at the greater value determined under § 8–223 of this subtitle.

(2) When a property is assessed under paragraph (1) of this subsection, a deferred property tax is due for the amount of the difference, if any, between the assessment of the land under § 8–222 of this subtitle and the assessment under § 8–223 of this subtitle for each year in which the assessment was determined under § 8–222 of this subtitle.

(3) The total of the deferred property tax due may not exceed 4% of the assessment under § 8–223 of this subtitle in effect at the time of rezoning under paragraph (1) of this subsection.

(4) The proceeds of the deferred property tax are collected and distributed as provided by Title 13 of this article.

§8–225.

Planning and zoning agencies in the counties shall provide the supervisors with copies of all official papers, plans, or maps necessary to implement the provisions of §§ 8-220 through 8-224 of this subtitle.

§8–226.

(a) The General Assembly states that it is in the general public interest to provide for the valuation and assessment of rezoned real property that is used for residential purposes on the basis of that use and not upon a greater value attributable to a change in zoning through comprehensive rezoning not initiated or requested by the homeowner or anyone having an interest in the property.

(b) (1) In this section and §§ 8–227 and 8–228 of this subtitle the following words have the meanings indicated.

(2) "Dwelling" means a house that is used as the principal residence of a homeowner and the lot or curtilage on which the house is erected.

(3) "Homeowner" means an individual who:

(i) actually resides in a dwelling in which the individual has a legal interest; or

(ii) under a court order or separation agreement, permits a spouse, a former spouse, or a child or the individual's family to reside, without payment of rent, in a dwelling in which the individual has a legal interest.

(4) "Legal interest" includes an interest in a dwelling:

(i) as sole owner;

(ii) as a joint tenant;

(iii) as a tenant in common;

(iv) as a tenant by the entireties;

(v) through membership in a cooperative;

(vi) under a land installment contract, as defined in § 10–101 of the Real Property Article; or

(vii) as a holder of a life estate.

(5) "Rezoned real property" means a dwelling that:

(i) has been owned and occupied by a homeowner for at least 3 years prior to a zoning change described in item (iii) of this paragraph;

(ii) was zoned as residential at the time of acquisition; and

(iii) has been rezoned from a residential to a commercial or industrial zoning classification through comprehensive rezoning not initiated or requested by the homeowner or anyone having an interest in the property.

§8–227.

(a) (1) For property to be assessed as rezoned real property under this section and §§ 8-226 and 8-228 of this subtitle:

(i) the homeowner shall apply to the supervisor on or before April 1 of the taxable year preceding the taxable year for which the use assessment is sought; and

(ii) the application shall establish to the satisfaction of the Department that the property is rezoned real property.

(2) For good cause the Department may accept an application after April 1 but on or before May 1 of the taxable year preceding the taxable year for which the use assessment is sought.

(3) The county shall assist in the verification of the initiation of zoning changes that occurred prior to July 1, 1990.

(b) (1) Rezoned real property shall be assessed based upon its residential use and not upon a use allowed under a commercial or industrial zoning classification.

(2) Rezoned real property shall be treated as residential real property for property assessment purposes, including the grant of property tax credits or other benefits provided under this article or local law.

(c) The Department shall adopt regulations to carry out the residential use assessment provided under this section and §§ 8-226 and 8-228 of this subtitle.

(d) The Department shall give notice to homeowners of properties that have been rezoned to a commercial or industrial classification of the possible residential use assessment provided under this section and §§ 8-226 and 8-228 of this subtitle. The notice shall include any information needed to convey:

(1) eligibility requirements;

(2) filing deadlines;

(3) applicable limitations; and

(4) contact information for application forms.

(e) The Department shall notify an applicant in writing if the applicant is not eligible for the residential use assessment.

§8–228.

(a) If a part of any rezoned real property is subdivided by a recorded plat, is used for a purpose other than a residential use, or is transferred to someone other than an immediate family member of the owner, the property ceases to be rezoned real property and the residential use assessment under this section and §§ 8-226 and 8-227 of this subtitle shall terminate and the Department shall value and assess the property in accordance with the provisions of Subtitle 1 of this title.

(b) If the residential use assessment is terminated under subsection (a) of this section, the homeowner who paid taxes based on the residential use assessment shall pay to the Department a penalty as calculated in subsection (c) of this section.

(c) (1) The penalty due is calculated based on the difference between the assessment of the property based on its residential use as rezoned real property and the assessment required under subsection (a) of this section multiplied by the sum of the State, county, and municipal tax rates for the current tax year.

(2) The total penalty due is equal to the amount determined in paragraph (1) of this subsection multiplied by the number of years, not exceeding 3, for which the homeowner received a residential use assessment under this section and §§ 8-226 and 8-227 of this subtitle.

(3) Annual interest at the rate of 12% shall apply to the penalty calculated under this subsection.

(d) The proceeds of the penalty collected under this section shall be distributed to the State, county, and municipal governments in the proportion that each tax rate bears to the total of the State, county, and municipal tax rates.

§8–229.

If minerals and mineral rights are owned separately from the land in which they are located, the supervisor may assess the minerals and mineral rights separately from the land.

§8–230.

(a) In this section, "improvements" means improvements made before January 1, 1977, to real property:

(1) occupied by the owner; and

(2) used as the principal place of residence of the owner.

(b) Except for flooding solely caused by tidal water, improvements shall be assessed on the basis of the reduced value of the improvements if the improvements had been damaged by and were subject to a substantial threat of recurring damage by:

(1) flooding;

(2) shifting land masses; or

(3) unstable soils or soil fault conditions.

§8–231.

If the assessment of real property used for purposes other than commercial purposes is not reduced or abated because of damage or destruction from flood, fire, storm, or any natural occurrence, the replacement or restoration of the real property by real property of comparable size, quality, construction, and utility may not be assessed at an amount greater than the assessment of the real property before the damage or destruction until the next assessment under § 8-104(b) of this title.

§8–232.

A manure bank or other facility located above or below the ground and used for the storage of animal wastes from poultry or agricultural livestock production may not be assessed to the owner of the real property on which it is located.

§8–233.

(a) In this section, "change" includes an improvement or an addition.

(b) Subject to the provisions of this section, a change to a building may not be assessed to the owner of the building for the period of time that a resident of the building with a health or medical condition occupies the building if:

(1) the building is used as a dwelling; and

(2) the change to the building is required for the health or medical condition of the resident of the building.

(c) The owner of the building shall submit to the supervisor:

(1) a statement from a licensed physician showing sufficient evidence of medical necessity or a substantial physical inconvenience of the resident; and

(2) annually an affirmation that the resident lives in the building.

(d) The assessment of the changes exempted under this section may not exceed 10% of the total assessment of the real property on which the building is located.

(e) The Department shall adopt regulations to provide:

(1) criteria to determine what is sufficient evidence of a health or medical condition;

(2) the form of the annual affirmation of residence; and

(3) criteria to determine what changes are required for the health or medical condition.

§8–234.

(a) In this section, "mobile home" includes a trailer, a house trailer, a trailer coach, or a mobile home that:

(1) is used or can be used for residential purposes; and

(2) is permanently attached to land or connected to utility, water, or sewage facilities.

(b) Except as provided in subsection (c) of this section and notwithstanding §§ 7-220, 7-230, and 7-231 of this article, a mobile home shall be assessed to the owner of the land on which the mobile home is located on the same basis as improvements to real property.

(c) A mobile home may not be assessed under this section if it:

(1) is unoccupied and for sale; or

(2) is located temporarily in a rented space in a trailer park or mobile home court.

§8–235.

(a) In this section, "normal repairs and maintenance":

(1) means an expenditure to replace original components of a building to maintain the physical character of the building in its current condition; and

(2) includes:

(i) interior or exterior painting;

(ii) landscaping;

(iii) fencing;

(iv) replacing gutters or downspouts;

(v) adding storm windows, storm doors, or weatherstripping;

(vi) adding insulation;

(vii) electric rewiring;

(viii) replacing plumbing and light fixtures;

(ix) replacing a furnace with more efficient oil or gas burners;

(x) redecorating;

(xi) installing new ceilings or wall surfaces;

(xii) removing room partitions to change the shape of a room;

(xiii) replacing a roof with a roof of a similar type and material;

(xiv) replacing an existing driveway and lead walk;

(xv) repairing a foundation because of structural defect or age if there is no enlargement of the improvement or building; and

(xvi) replacing an existing air conditioner or other built–in appliance.

(b) Normal repairs and maintenance may not be separately assessed for inclusion in the assessment of real property used for residential purposes.

§8–236.

(a) As used in this section, "radiation fallout shelter" means a structure that is:

(1) constructed:

(i) outside of another building;

(ii) as an underground or partially underground addition to or an alteration of an existing building; or

(iii) as an underground part of a new building, but from materials more dense than the general materials used for the other parts of the building;

(2) constructed in accordance with specifications published by the United States Office of Civil and Defense Mobilization for a shelter type or design approved by that office to provide protection from radiation fallout; and

(3) located on land occupied for residential purposes by not more than 2 families.

(b) (1) A radiation fallout shelter that is not used for any other purpose may not be assessed to the owner of the property on which the shelter is located.

(2) Any other structure used to provide protection from radiation fallout shall be assessed on the basis of the difference in the value of the improvements to the real property as actually constructed and the value if constructed of materials similar to the residence on the property.

§8–237.

A septic system or a well that functions in a deficient manner shall be assessed to the owner of the real property on which it is located on the basis of the deficiency, if:

(1) the owner of the real property:

(i) notifies the supervisor; and

(ii) states that the condition affects the value of the real property; and

(2) the supervisor considers that the deficiency affects the value of the real property.

§8–238.

A seawall, bulkhead, or other structure installed solely to prevent shore erosion or damage by wave action of any body of water may not be assessed as an improvement, unless the seawall, bulkhead, or other structure is part of another improvement.

§8–239.

A silo may not be assessed to the owner of the real property on which it is located if the silo is used for the processing or storage of animal feed as an incidental operation of the farm on which the silo is located.

§8–240.

(a) If no conventional heating and cooling system exists in a building, a solar energy or geothermal heating and cooling system shall be assessed to the owner of the real property on which it is located at not more than the value of a conventional system.

(b) If a solar energy or geothermal heating and cooling system is installed in addition to a conventional system in a building, the combined system may be assessed to the owner of the real property on which it is located at not more than the value of the conventional system.

§8–302.

(a) For purposes of the county property tax only, in any county in which authorized by the governing body of the county, an improved aircraft landing area may not be assessed to the owner of the real property on which it is located if the landing area is:

(1) located on privately owned land;

(2) used by the public; and

(3) licensed under Title 5 of the Transportation Article.

(b) The property eligible for an exemption under subsection (a) of this section may include an approach zone and taxiway.

§8–303.

For purposes of the Cecil County property tax only, the buildings located at Fair Hill that are used primarily for fund raising events for the Union Hospital of Cecil County may not be assessed to the owner of the land on which they are located. These buildings are:

(1) farmers' grandstand and bleachers;

(2) National Cup, Aintree, and Fair Hill stands;

(3) Mutuel Building;

(4) green barn for races;

(5) secretary's office;

(6) jockey room;

(7) main race, tea, cow, and storage barns;

(8) water tower;

(9) grandstand cow show area;

(10) Butler Building; and

(11) toilet facilities.

§8–401.

(a) When any change as provided in subsection (b) of this section occurs in the value or classification of any real property that a supervisor assesses, the supervisor shall notify the owner or other appropriate person by a written notice of the proposed change.

(b) A written notice is required for:

(1) an increase or decrease in an existing real property value;

(2) a change in the classification of the real property;

(3) establishment of an initial real property value;

(4) a decision on an assessment appeal or a petition to change an existing real property value or classification; and

(5) a revaluation or reclassification, if a valuation or classification has been appealed but not finally determined.

(c) The notice for subsection (b)(1) of this section shall include:

(1) the amount of the current value;

(2) the amount of the proposed value including a statement that the total amount of the proposed value is the value for purposes of appeal;

(3) the amount of the proposed value that will be the basis for the assessment in each year of the 3–year cycle;

(4) a statement:

(i) indicating the right to appeal; and

(ii) briefly describing the appeal process and the property owner's bill of rights; and

(5) a statement that valuation records are available as provided by § 14–201 of this article.

(d) In the instance of notices required in subsection (b)(2), (3), (4), and (5) of this section, the notice shall include:

(1) the amount of the current value;

(2) the amount of the proposed or final value;

(3) the amount of the proposed value that is the basis for the assessment in the applicable years of the 3–year cycle;

(4) a statement:

(i) indicating the right of appeal; and

(ii) briefly describing the appeal process and the property owner's bill of rights; and

(5) a statement that valuation records are available as provided by § 14–201 of this article.

(e) The notice shall be served as provided by § 8–402 of this subtitle on or before January 1 or any other date specified in this article.

(f) A failure to send a notice of any change in value or classification within 30 days after the date provided in subsection (e) of this section creates an irrebuttable presumption that in the instances specified in subsection (b)(1) through (4) of this section the prior value has not changed unless:

(1) the property has been transferred for consideration to new ownership during the previous calendar year;

(2) the zoning classification of the property changed during the current triennial cycle or the previous calendar year, whichever is earlier, resulting in an increased value of the property;

(3) a substantial change occurred in the use or character of the property during the current triennial cycle or the previous calendar year, whichever is earlier;

(4) extensive improvements have been made on the property during the current triennial cycle or the previous calendar year, whichever is earlier, as provided in § 8–104(c)(1)(iii) of this title;

(5) due to an error in calculating or measuring improvements on the property the assessment for the previous taxable year was clearly erroneous; or

(6) the assessment has been decreased.

§8–402.

(a) (1) The notice required by § 8–401 of this subtitle shall be served on the owner or other appropriate person:

(i) by leaving a copy of the notice at the person's residence;

(ii) by sending a copy of the notice by United States mail to the mailing address of the owner;

(iii) by personal service by the sheriff in the same manner as original service is required in a civil action;

(iv) by e–mail, if within the past 3 years the recipient has provided to the Department an e–mail address and requested to receive the notices by e–mail; or

(v) if the owner is unknown, not residing at the real property, or cannot be found by:

1. delivering a copy of the notice to a person in possession of the real property; or

2. posting a copy of the notice at a conspicuous location on the real property.

(2) Though not a condition precedent to the validity of the value in the notice, if the mailing or e–mail address of an owner not residing at the real property is known, the notice shall be sent to that address.

(b) If a notice is sent under this section, the supervisor shall retain a record of the date of sending and the name and address of the person to whom the notice is sent.

(c) If the service under subsection (a) of this section is given to the person charged with paying the property tax, this section is deemed complied with even if that person is accountable to shareholders or other persons.

§8–403.

With the notice required by § 8-401 of this subtitle, the Department or supervisor may submit interrogatories relevant to:

(1) the value, classification, or assessment of the real property described in the notice; or

(2) any other property owned by the person who is sent the notice.

§8–404.

(a) A person who receives a notice under § 8-401 of this subtitle may appeal the value or classification, if that person replies as provided by Title 14, Subtitle 5 of this article.

(b) If any real property is transferred to a new owner at a time that prevents the notice from being mailed before January 1 to a new owner, the Department shall mail a new notice to the new owner. The new owner may appeal the value or classification as provided by Title 14, Subtitle 5 of this article.

§8–405.

(a) A person who has received a notice under § 8–401 of this subtitle and has appealed the value or classification under § 8–404 of this subtitle shall be notified by the supervisor of the date and time of the hearing.

(b) Unless the property owner requests a postponement under § 1–402 of this article, for a dwelling as defined in § 9–105 of this article, the hearing shall occur no later than 120 days after the date that the Department received the appeal of the value or classification.

(c) If a person notified under subsection (a) of this section requests, the supervisor shall offer alternate dates and times for hearings. To the extent possible, these dates and times shall:

(1) reflect a mutually convenient hearing schedule; and

(2) provide for some Saturday and evening hearings as required.

(d) The supervisor may provide group hearings for blocks or communities if the real property is similar or has similar characteristics.

§8–406.

(a) The person who has appealed a notice may:

(1) appear in person or by an agent; and

(2) present any evidence at or prior to the hearing concerning the real property.

(b) If the person does not appear at the hearing, the supervisor may determine the value or classification of the real property taking into account the available information and the best judgment of the supervisor.

§8–407.

(a) (1) Except as provided in paragraph (2) of this subsection, if an appeal is filed under § 8–404 of this subtitle or if a petition for review is filed, the supervisor shall give written notice of the final value or classification determined by the supervisor to the person who has appealed or filed a petition for review.

(2) For a dwelling as defined in § 9–105 of this article, the supervisor shall give written notice no later than 60 days after the hearing under § 8–405 of this subtitle.

(b) The final notice shall notify the person of the right to appeal the final value or classification to a property tax assessment appeal board on or before 30 days from the date of the final notice. The notice shall contain the name and address of the appropriate board.

§8–408.

Notice of the annual assessment of personal property shall be given as soon as practicable after the April 15 that follows the date of finality.

§8–409.

(a) The notice required by § 8–408 of this subtitle shall be served on the owner or other appropriate person by:

(1) sending a copy of the notice by:

(i) United States mail to the mailing address of the owner; or

(ii) e–mail, if within the past 3 years the recipient has provided to the Department an e–mail address and requested to receive the notices by e–mail; or

(2) if the owner is a nonresident of the State, or unknown or cannot be found, delivering a copy of the notice to a person in possession of the personal property.

(b) When a notice is sent under this section, the Department or supervisor shall retain a record of the date of sending and the name and address of the person to whom the notice is sent.

(c) If the service under subsection (a) of this section is given to the person charged with paying the property tax, this section is deemed complied with even if that person is accountable to shareholders or other persons.

§8–410.

With the notice required by § 8-408 of this subtitle, the supervisor or Department may submit interrogatories relevant to:

(1) the value, classification, or assessment of the personal property described in the notice; or

(2) any other property owned by the person who is sent the notice.

§8–411.

A person who receives a notice under § 8-408 of this subtitle may appeal the value or classification if that person replies as provided by Title 14, Subtitle 5 of this article.

§8–412.

(a) A person who has received a notice under § 8-408 of this subtitle and has appealed the value or classification under § 8-411 of this subtitle shall be notified by the Department or supervisor of the date and time of the hearing.

(b) If a person notified under subsection (a) of this section requests, the supervisor or Department shall offer alternate dates and times for hearings. To the extent possible, these dates and times shall:

(1) reflect a mutually convenient hearing schedule; and

(2) provide for some Saturday and evening hearings as required.

§8–413.

(a) The person who has appealed a notice may:

(1) appear in person or by an agent; and

(2) present any evidence at or prior to the hearing to substantiate the value or classification claimed for the personal property.

(b) If the person does not appear at the hearing, the Department or supervisor may determine the value or classification of the personal property taking into account the available information and the best judgment of the supervisor or the Department.

§8–414.

(a) If an appeal is filed under § 8-411 of this subtitle or if a petition for review is denied, the Department or supervisor shall give written notice of the final value or classification determined by the Department or supervisor to the person who has appealed or filed a petition for review.

(b) The final notice shall notify the person of the right to appeal the final value or classification to the next higher assessing authority on or before 30 days from the date of the final notice. The notice shall contain the name and address of the next higher assessing authority.

§8–415.

The owner of real property may submit a petition for review as provided by § 14-503(a) of this article.

§8–416.

(a) Assessments of personal property for a taxable year are based on information as of the preceding date of finality and are final as of the date of the notice unless appealed under § 8-411 of this subtitle.

(b) Except for real property that subsequently becomes assessable for the semiannual date of finality or quarterly date of finality, real property assessments are final as of the date of finality.

§8–417.

(a) In this section, "escaped property" means any property that:

(1) is subject to assessment for property tax purposes; and

(2) has not been assessed.

(b) Notwithstanding § 8-418 of this subtitle, after it is discovered, escaped property is assessed in the same manner as other similar property is assessed.

(c) (1) When escaped property is assessed it is placed on the assessment roll and tax roll and is subject to property tax for:

(i) the current taxable year; and

(ii) not more than 3 previous taxable years.

(2) The county tax imposition for each county or municipal corporation tax imposition for each municipal corporation shall be deemed to have covered all property that was not assessed but which should have been assessed for the year that any county or municipal corporation tax was imposed.

(d) If personal property is assessed at less than its value as a result of the owner inaccurately reporting the cost or other information as to the property, the underassessed part of the property shall be treated as escaped property.

§8–418.

(a) After any personal property that is subject to assessment by § 8-417(d) of this subtitle as escaped property is assessed, the Department shall determine if:

(1) the owner failed to report accurately the cost or other information as to the escaped property; and

(2) the failure to report accurately caused the escaped property to be assessed at less than its value.

(b) (1) Notice of the assessment of escaped property under § 8-417(d) of this subtitle and the imposition of any penalty under § 14-705 of this article shall be given as provided by § 14-402 of this article.

(2) The notice shall separately state:

(i) the assessment of the escaped property; and

(ii) the penalty imposed under § 14-705 of this article.

§8–419.

(a) (1) In this subsection, "appropriate official" means:

(i) except as otherwise provided in this paragraph, the Department or supervisor and the county or municipal corporation treasurer;

(ii) in Baltimore City, the Department or supervisor and the city solicitor;

(iii) in Montgomery County, the Department or supervisor and the director of finance; and

(iv) for municipal corporations in Caroline County, the Department or supervisor and the appropriate town board.

(2) Notwithstanding failure to file a protest of an assessment and after the date of finality for an assessment, the appropriate official may issue an order decreasing or abating an assessment:

(i) to correct an erroneous assessment;

(ii) to correct an improper assessment; and

(iii) to prevent injustice.

(b) The order shall state clearly the reasons for decreasing or abating the assessment.

(c) (1) The Department may audit any personal property assessment after the assessment is made.

(2) If, as a result of the audit, the Department determines that the assessment is:

(i) greater than the assessment previously made, the Department shall make an assessment of the difference; or

(ii) less than the assessment previously made, the Department shall abate the difference.

(3) If action is taken under paragraph (2) of this subsection, the Department shall send a notice of assessment to the owner by:

(i) mail; or

(ii) e–mail, if within the past 3 years the recipient has provided to the Department an e–mail address and requested to receive the notices by e–mail.

(4) The notice may be appealed as provided by Title 14, Subtitle 5 of this article.

§8–420.

(a) On or before the beginning of each taxable year and before half-year taxes are due, the supervisors shall prepare and deliver to the collector for each county an assessment roll to be used to prepare the tax roll.

(b) Each assessment roll shall contain for each listed property:

(1) the name and address of the owner;

(2) a brief description of the property; and

(3) the value and assessment of the property.

(c) From the assessment roll, the collector shall prepare a tax roll that contains the information from the assessment roll that is necessary to prepare the property tax bill.

(d) If data processing equipment is used to prepare assessment rolls, the property tax rolls and property tax bills shall describe the properties as they are listed in the assessment records.

§8–421.

(a) When a supervisor delivers the assessments to a collector, the supervisor shall also submit to the Comptroller and the Department a statement under oath that shows the assessments of all real property in the county except operating real property.

(b) The form of the certification is determined by the Comptroller and the Department.

(c) The Department shall certify assessments of personal property and operating property to the county or municipal corporation tax collector as soon as practical after making those assessments.

(d) The form of the personal property and operating property certification is determined by the Department.

§8–422.

For the purpose of construction of any State or local law, an assessment of real property for a taxable year beginning after June 30, 2001 that is compared to an

assessment that is effective on or before September 30, 2000, shall be computed so that:

(1) the two assessments are compared at the same percent of value, and any tax rate applied to the assessments is adjusted proportionately, if necessary; and

(2) there is no change in the amount of tax due, tax relief authorized, computation of assessment ratio, or other computation based on assessments solely as a result of the change in the method of computing assessments effective October 1, 2000.

§9–101.

(a) (1) In this section the following words have the meanings indicated.

(2) "Homeowner" means an individual who:

(i) received a property tax credit under a repealed law;

(ii) continues to have a legal interest in the dwelling for which a property tax credit under a repealed law was granted; and

(iii) in any given year would qualify for a property tax credit under a repealed law.

(3) "Repealed law" means a repealed law that:

(i) in the taxable year 1974-1975 granted a tax credit to elderly or disabled individuals; or

(ii) in the taxable year 1975-1976 granted a property tax credit to disabled individuals.

(b) It is the intent of the General Assembly that all homeowners who received a property tax credit under a repealed law shall continue to receive benefits identical to the benefits under the repealed law in order not to cause a financial loss to any homeowner who would receive lesser benefits under § 9-104 of this subtitle.

(c) (1) A homeowner is eligible for the full benefits identical to the benefits of the repealed law in any taxable year that the homeowner meets the requirements of the repealed law.

(2) If in any succeeding taxable year a homeowner fails to qualify under the repealed law, the homeowner shall be granted a property tax credit under the repealed law in the next taxable year that the homeowner qualifies.

(d) The property tax credit of a homeowner shall be calculated under:

(1) a repealed law; and

(2) § 9-104 of this subtitle.

(e) A homeowner shall receive a property tax credit under this section equal to the greater of the 2 amounts calculated under subsection (d) of this section.

(f) If a surviving spouse of a homeowner has not remarried and meets the qualifications of the repealed law except for age or disability, the property tax credit under this section is available to the unmarried surviving spouse.

(g) Each county or municipal corporation is responsible for the cost of any property tax credit granted under this section to a homeowner that exceeds the cost the State is required to pay under § 9-104 of this subtitle.

§9–102.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Assets" include:

1. real property;

2. cash;

3. savings accounts;

4. stocks;

5. bonds; and

6. any other investment.

(ii) "Assets" do not include:

1. the cash value of the life insurance policies on the life of the renter;

2. the cash value of any qualified retirement savings plans or individual retirement accounts; or

3. tangible personal property.

(3) "Assumed real property tax" means:

(i) 15% of the occupancy rent paid by a renter during the calendar year; or

(ii) 15% of the occupancy rent paid by a renter during the calendar year plus any tax paid under § 20–501 of the Local Government Article.

(4) "Combined income" means the combined gross income of all individuals who actually reside in a dwelling except an individual who:

(i) is a dependent of the renter under § 152 of the Internal Revenue Code; or

(ii) pays a reasonable amount for rent or room and board.

(5) (i) "Dwelling" means a rental unit that is the principal residence of a renter.

(ii) "Dwelling" includes a mobile home pad on which the principal residence of the renter rests.

(6) (i) "Gross income" means the total income from all sources for the calendar year that immediately precedes the taxable year, whether or not the income is included in the definition of gross income for federal or State tax purposes.

(ii) "Gross income" includes:

1. any benefit under the Social Security Act or the Railroad Retirement Act;

2. the aggregate of gifts over $300;

3. alimony;

4. support money;

5. any nontaxable strike benefit;

6. public assistance received in a cash grant;

7. a pension;

8. an annuity;

9. any unemployment insurance benefit;

10. any workers' compensation benefit; and

11. the net income received from a business, rental, or other endeavor.

(iii) "Gross income" does not include:

1. any income tax refund received from the State or federal government, including any refundable portion of the federal earned income tax credit; or

2. any loss from business, rental, or other endeavor.

(7) "Net worth" means the sum of the current market value of all assets, less any outstanding liability.

(8) "Occupancy rent" means the rent paid for the right to occupy a dwelling less the reasonable value of the utilities or furnishings or both if the utilities or the use of the furnishings or both are included in the rent.

(9) "Renter" means an individual, who during the calendar year for which the property tax relief under this section is sought, actually occupies a dwelling in which the individual has a leasehold interest and who:

(i) is at least 60 years old;

(ii) has been found permanently and totally disabled and has qualified for benefits under:

1. the Social Security Act;

2. the Railroad Retirement Act;

3. any federal act for members of the United States armed forces; or

4. any federal retirement system;

(iii) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health; or

(iv) is under the age of 60 years and:

1. has gross income below the poverty threshold that is established by the U.S. Department of Commerce, Bureau of the Census in August of the previous calendar year;

2. has 1 or more dependent children under 18 years old living with the renter; and

3. does not receive federal or State housing subsidies or reside in public housing.

(b) There is a property tax relief program for any renter.

(c) The Department shall adopt regulations necessary to carry out this section.

(d) (1) (i) The Department shall:

1. give to each renter notice of possible property tax relief under this section; and

2. establish a marketing campaign to promote the use of the property tax relief program under this section.

(ii) The marketing campaign shall focus on reaching renters in high poverty areas throughout the State.

(2) The Comptroller shall provide in each package of income tax forms and instructions notice of the availability of a property tax credit under this section. Such notice shall be similar in every way to that provided homeowners in § 9–104(f) of this subtitle.

(3) The Department shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on or before December 31, 2015, and every 2 years thereafter, on the promotion of the property tax relief program under paragraph (1) of this subsection.

(e) If a dwelling is not actually occupied or expected to be occupied by the renter for 6 months or more of the calendar year, the dwelling is not a principal residence.

(f) (1) (i) Except as provided in paragraphs (2) and (3) of this subsection, on or before October 1 of the year following the calendar year for which property tax relief under this section is sought, a renter may apply to the Department for the property tax relief.

(ii) The application shall be made on the form that the Department provides.

(2) For good cause, the Department may accept an application from a renter after October 1 but on or before October 31 of the year following the calendar year for which property tax relief under this section is sought.

(3) The Department may accept an application from a renter within 3 years after October 1 of the calendar year for which the property tax relief under this section is sought if the renter was:

(i) at least 70 years old in the calendar year for which the property tax relief under this section is sought; and

(ii) eligible for the property tax relief under this section for the taxable year for which the relief is sought.

(4) The renter shall state under oath that the statements in the application are true.

(5) To substantiate the application, the applicant may be required to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(g) Notwithstanding § 13–202 of the Tax – General Article, to verify the income stated in an application, the Comptroller shall give the Department the information required.

(h) (1) The property tax relief that a renter may receive under this section is the assumed property tax on real property less a percentage of the combined income of the renter.

(2) The percentage is:

(i) 0% of the 1st $4,000 of combined income;

(ii) 2.5% of the 2nd $4,000 of combined income; and

(iii) 5.5% of the combined income over $8,000.

(i) The property tax relief under this section may not be:

(1) more than $1,000;

(2) granted to any renter whose combined net worth exceeds $200,000 as of December 31 of the calendar year for which the property tax relief is sought;

(3) granted to any renter whose dwelling is exempt from property tax; and

(4) granted if the credit under this section is less than $1 in any year.

(j) (1) The Department shall:

(i) process applications upon receipt;

(ii) certify to the Comptroller the property tax relief under this section due each renter; and

(iii) make the certifications required under item (ii) of this paragraph no less frequently than each month.

(2) The Comptroller shall pay the amount to the renter upon receipt of the certification from the Department.

§9–103.

(a) (1) In this section the following words have the meanings indicated.

(2) "Base year" means the taxable year immediately before the taxable year in which a property tax credit under this section is to be granted.

(3) (i) "Base year value" means the value of the property used to determine the assessment on which the property tax on real property was imposed for the base year.

(ii) "Base year value" does not include any new real property that was first assessed in the base year.

(4) (i) "Business entity" means a person who operates or conducts a trade or business.

(ii) "Business entity" includes a person who owns, operates, develops, constructs, or rehabilitates real property, if the real property:

1. is intended for use primarily as single or multifamily residential property located in the enterprise zone; and

2. is partially devoted to a nonresidential use.

(5) (i) "Eligible assessment" means the difference between the base year value and the actual value as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.

(ii) For a business entity that is located on land or within improvements owned by the federal, State, county, or municipal government, "eligible assessment" means the difference between the base year value and the actual value reduced by the value of any property entitled to an exemption under Title 7 of this article as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.

(6) (i) "Qualified property" means real property that is:

1. not used for residential purposes;

2. used in a trade or business by a business entity that meets the requirements of § 5–707 of the Economic Development Article; and

3. located in an enterprise zone that is designated under Title 5, Subtitle 7 of the Economic Development Article.

(ii) "Qualified property" includes personal property on real property that is located in a focus area as defined in § 5–701 of the Economic Development Article.

(b) (1) The governing body of a county or of a municipal corporation shall grant a tax credit under this section against the property tax imposed on the eligible assessment of qualified property.

(2) In Montgomery County the lessor of real property eligible for a credit under this section shall reduce the amount of taxes for which a tenant is

contractually liable under the lease agreement by the amount of any credit allowed under this section that is attributable to improvements made by the tenant.

(c) Unless the county in which a municipal corporation is located agrees to the designation of an enterprise zone in the municipal corporation, qualified property in the municipal corporation may not receive a tax credit against county property tax.

(d) (1) Except as provided in paragraph (2) of this subsection, the appropriate governing body shall calculate the amount of the tax credit under this section equal to a percentage of the amount of property tax imposed on the eligible assessment of the qualified property, as follows:

(i) 80% in each of the 1st 5 taxable years following the calendar year in which the property initially becomes a qualified property;

(ii) 70% in the 6th taxable year;

(iii) 60% in the 7th taxable year;

(iv) 50% in the 8th taxable year;

(v) 40% in the 9th taxable year; and

(vi) 30% in the 10th taxable year.

(2) For newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after January 1, 2019, but before January 1, 2022, the appropriate governing body shall calculate the amount of the tax credit under this section equal to a percentage of the amount of property tax imposed on the eligible assessment of the qualified property as follows:

(i) 80% in each of the 1st 8 taxable years following the calendar year in which the property initially becomes a qualified property;

(ii) 70% in the 9th taxable year;

(iii) 60% in the 10th taxable year;

(iv) 50% in the 11th taxable year;

(v) 40% in the 12th taxable year; and

(vi) 30% in the 13th taxable year.

(3) The Department shall allocate the eligible assessment to the nonresidential part of the qualified property at the same percentage as the square footage of the nonresidential part is to the total square footage of the building.

(4) For purposes of calculating the amount of the credit allowed under this section, the amount of property tax imposed on the eligible assessment shall be calculated without reduction for any credits allowed under this title.

(5) For qualified property located in a focus area, the appropriate governing body shall calculate the amount of the tax credit under this section equal to 80% of the amount of property tax imposed on the eligible assessment of the qualified property:

(i) for newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after January 1, 2019, but before January 1, 2022, for each of the 13 taxable years following the calendar year in which the property initially becomes a qualified property; or

(ii) for any other qualified property, for each of the 10 taxable years following the calendar year in which the property initially becomes a qualified property.

(e) (1) A tax credit under this section is available to a qualified property for no more than 10 consecutive years or, in the case of newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after January 1, 2019, but before January 1, 2022, no more than 13 consecutive years, beginning with:

(i) the taxable year following the calendar year in which the real property initially becomes a qualified property; or

(ii) the taxable year in which the real property initially becomes a qualified property, subject to the approval of the appropriate local governing body and the Secretary of Commerce.

(2) Even if the designation of an enterprise zone expires, the tax credit under this section continues to be available to a qualified property.

(3) Notwithstanding § 5–707(d) of the Economic Development Article but subject to § 5–707(b) and (c) of the Economic Development Article, a business entity operating in an enterprise zone when the designation of the enterprise zone expires may claim the credits allowed under this section for real property that:

(i) the business owns, operates, develops, constructs, or rehabilitates within 5 years after the date the designation of the enterprise zone expired; and

(ii) otherwise qualifies for the credits allowed under this section.

(4) State property tax imposed on real property is not affected by this section.

(f) When an enterprise zone is designated by the Secretary of Commerce, the appropriate governing body shall certify to the Department of Assessments and Taxation:

(1) the real properties in the enterprise zone that are qualified properties for each taxable year for which the property tax credit under this section is to be granted; and

(2) the date that the real properties became qualified properties.

(g) Before property tax bills are sent, the Department of Assessments and Taxation shall submit to the appropriate governing body a list of:

(1) each qualified property;

(2) the amount of the base year value for each qualified property; and

(3) the amount of the eligible assessment for each qualified property.

(h) As provided in the State budget, the State shall remit to each county or municipal corporation an amount equal to one–half of the funds that would have been collected if the property tax credit under this section had not been granted.

(i) (1) (i) For a county or municipal corporation to receive a reimbursement under subsection (h) of this section by August 31 in any calendar year, the county or municipal corporation shall submit an annual request to the Department of Assessments and Taxation for the amount required by subsection (h) of this section on or before June 30 of that year.

(ii) On or before July 31 after the Department of Assessments and Taxation receives the request from the county or municipal corporation under subparagraph (i) of this paragraph, the Department shall certify to the Comptroller the reimbursement due to each county or municipal corporation.

(iii) On or before August 31 after the Comptroller receives the certification from the Department under subparagraph (ii) of this paragraph, the Comptroller shall reimburse each county or municipal corporation.

(2) If a county or municipal corporation submits its request for the amount required under subsection (h) of this section after June 30:

(i) the Department shall issue its certification to the Comptroller within 30 days after receipt of the request; and

(ii) the Comptroller shall reimburse the county or municipal corporation within 30 days after receipt of the certification.

§9–103.1.

(a) (1) In this section the following words have the meanings indicated.

(2) "Base year" means the taxable year immediately before the taxable year in which a property tax credit under this section is to be granted.

(3) (i) "Base year value" means the value of the property used to determine the assessment on which the property tax on real property was imposed for the base year.

(ii) "Base year value" does not include any new real property that was first assessed in the base year.

(4) (i) "Business entity" means a person who operates or conducts a trade or business.

(ii) "Business entity" includes a person who owns, operates, develops, constructs, or rehabilitates real property if the real property:

1. is intended for use primarily as single or multifamily residential property located in a RISE zone; and

2. is partially devoted to a nonresidential use.

(5) (i) "Eligible assessment" means the difference between the base year value and the actual value as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.

(ii) For a business entity that is located on land or within improvements owned by the federal, State, county, or municipal government, "eligible

assessment" means the difference between the base year value and the actual value reduced by the value of any property entitled to an exemption under Title 7 of this article as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.

(6) "Qualified property" means real property that is:

(i) located in a RISE zone;

(ii) not used for residential purposes; and

(iii) used in a trade or business by a business entity that locates in the RISE zone before January 1, 2023.

(7) "RISE zone" has the meaning stated in § 5–1401 of the Economic Development Article.

(b) The governing body of a county or of a municipal corporation shall grant a tax credit under this section against the property tax imposed on the eligible assessment of qualified property.

(c) (1) Except as otherwise provided in this subsection, the appropriate governing body shall calculate the amount of the tax credit under this section equal to a percentage of the amount of property tax imposed on the eligible assessment of the qualified property as follows:

(i) at least 50% in the first taxable year following the calendar year in which the property initially becomes a qualified property; and

(ii) at least 10% in the second through fifth taxable years.

(2) The Department shall allocate the eligible assessment to the nonresidential part of the qualified property at the same percentage as the square footage of the nonresidential part is to the total square footage of the building.

(3) For purposes of calculating the amount of the credit allowed under this section, the amount of property tax imposed on the eligible assessment shall be calculated without reduction for any credits allowed under this title.

(4) (i) For qualified property located in an enterprise zone designated under Title 5, Subtitle 7 of the Economic Development Article, the appropriate governing body shall calculate the amount of the tax credit under this section equal to 80% of the amount of property tax imposed on the eligible assessment

of the qualified property for each of the 5 taxable years following the calendar year in which the property initially becomes a qualified property.

(ii) For qualified property located in a focus area designated under § 5–706 of the Economic Development Article, the appropriate governing body shall calculate the amount of the tax credit under this section equal to 100% of the amount of property tax imposed on the eligible assessment of the qualified property for each of the 5 taxable years following the calendar year in which the property initially becomes a qualified property.

(iii) 1. If a business entity is certified as consistent with the target strategy of the RISE zone and the qualified property is located in an enterprise zone or focus area, the amount of the required reimbursement under § 9–103(h) of this subtitle may only be for the amount required for the required property tax credits under § 9–103 of this subtitle.

2. The property tax credits required under subparagraphs (i) and (ii) of this paragraph do not alter the amount of funds required to be reimbursed under § 9–103(h) of this subtitle.

(5) The governing body of a county or municipal corporation may increase, by local law, the percentage under paragraph (1) of this subsection.

(6) (i) If a RISE zone is renewed as provided under § 5–1404 of the Economic Development Article, the governing body of a county or municipal corporation shall calculate the amount of the tax credit under this section equal to at least 10% of the amount of property tax imposed on the eligible assessment of the qualified property for the sixth through tenth taxable years.

(ii) The governing body of a county or municipal corporation may increase, by local law, the percentage under subparagraph (i) of this paragraph.

(d) (1) Except as provided in subsection (c)(6) of this section, a tax credit under this section is available to a qualified property for no more than 5 consecutive years beginning with the taxable year following the calendar year in which the real property initially becomes a qualified property.

(2) If the designation of a RISE zone expires, the tax credit under this section continues to be available to a qualified property.

(3) State property tax imposed on real property is not affected by this section.

(e) When a Regional Institution Strategic Enterprise zone is designated by the Secretary of Commerce, the Secretary shall certify to the State Department of Assessments and Taxation:

(1) the real properties in the zone that are qualified properties for each taxable year for which the property tax credit under this section is to be granted; and

(2) the date that the real properties became qualified properties.

(f) Before property tax bills are sent, the State Department of Assessments and Taxation shall submit to the Secretary of Commerce a list containing:

(1) the location of each qualified property;

(2) the amount of the base year value for each qualified property; and

(3) the amount of the eligible assessment for each qualified property.

§9–104.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Assets" include:

1. real property;

2. cash;

3. savings accounts;

4. stocks;

5. bonds; and

6. any other investment.

(ii) "Assets" do not include:

1. the dwelling for which a property tax credit is sought under this section;

2. the cash value of the life insurance policies on the life of the homeowner;

3. the cash value of any qualified retirement savings plans or individual retirement accounts; or

4. tangible personal property.

(3) "Combined income" means the combined gross income of all individuals who actually reside in a dwelling except an individual who:

(i) is a dependent of the homeowner under § 152 of the Internal Revenue Code; or

(ii) pays a reasonable amount for rent or room and board.

(4) "Current market value" means:

(i) for residential property, the value as determined by the Department; and

(ii) for farmland, marshland, and woodland, the value under Title 8, Subtitle 2 of this article as determined by the Department.

(5) "Disabled veteran" has the meaning stated in § 7–208(a) of this article.

(6) "Dwelling" means:

(i) for a homeowner who is not a home purchaser, a house that is:

1. used as the principal residence of a homeowner and the lot or curtilage on which the house is erected;

2. occupied by not more than 2 families; and

3. actually occupied or expected to be actually occupied by the homeowner for more than 6 months of a 12–month period, which actual or expected occupancy period shall include July 1 of the taxable year for which the property tax credit under this section is sought; or

(ii) for a homeowner who is a home purchaser, a house that is:

1. used as the principal residence of a homeowner and the lot or curtilage on which the house is erected;

2. occupied by not more than 2 families; and

3. actually occupied or expected to be actually occupied by the home purchaser for the remainder of the taxable year for which the property tax credit under this section is sought.

(7) "Final tax liability" means the tax liability for any property tax on the real property of a dwelling less any property tax credit provided under this section.

(8) (i) "Gross income" means the total income from all sources for the calendar year that immediately precedes the taxable year, whether or not the income is included in the definition of gross income for federal or State tax purposes.

(ii) "Gross income" includes:

1. any benefit under the Social Security Act or the Railroad Retirement Act;

2. the aggregate of gifts over $300;

3. alimony;

4. support money;

5. any nontaxable strike benefit;

6. public assistance received in a cash grant;

7. a pension;

8. an annuity;

9. any unemployment insurance benefit;

10. any workers' compensation benefit;

11. the net income received from a business, rental, or other endeavor;

12. any withdrawal, payment, or distribution from an individual retirement account;

13. any withdrawal, payment, or distribution from any qualified retirement savings plan; and

14. any rent on the dwelling, including the rent from a room or apartment.

(iii) "Gross income" does not include:

1. any income tax refund received from the State or federal government; or

2. any loss from business, rental, or other endeavor.

(9) (i) "Homeowner" means an individual who:

1. on July 1 of the taxable year for which the tax credit is to be allowed:

A. actually resides in a dwelling in which the individual has a legal interest; or

B. under a court order or separation agreement, permits a spouse, a former spouse, or a child of the individual's family to reside without payment of rent in a dwelling in which the individual has a legal interest; or

2. A. is a home purchaser; and

B. actually resides in a dwelling in which the individual has a legal interest, whether or not the individual resides in the dwelling on July 1 of the taxable year for which the tax credit is sought.

(ii) "Homeowner" includes a beneficiary of a trust described in 42 U.S.C. § 1396p(d)(4), or a trust established for the benefit of an individual with a disability by an individual other than the beneficiary and that is funded with assets that were never owned or controlled by the beneficiary, if, on July 1 of the taxable year for which the tax credit is to be allowed, the beneficiary of the trust is an individual who actually resides in the dwelling.

(10) "Home purchaser" means an individual who purchases a dwelling in the taxable year for which the tax credit under this section is sought.

(11) "Legal interest" includes an interest in a dwelling:

(i) as sole owner;

(ii) as a joint tenant;

(iii) as a tenant in common;

(iv) as a tenant by the entireties;

(v) through membership in a cooperative;

(vi) under a land installment contract, as defined in § 10–101 of the Real Property Article;

(vii) as a holder of a life estate;

(viii) under a continuing care contract for an independent living unit at a continuing care facility for the aged, which means a nontransferable agreement between a continuing care facility for the aged as defined in § 7–206 of this article and an occupant of an independent living unit, which agreement provides that the occupant may reside in the unit until termination under the terms of the contract; or

(ix) as a surviving family member who stands to inherit the dwelling of a deceased homeowner under the terms of:

1. the deceased homeowner's will or trust or a nonprobate instrument of writing; or

2. under the laws of intestate succession.

(12) "Net worth" means the sum of the current market value of all assets, less any outstanding liability.

(13) "Surviving family member" means an individual related to a deceased homeowner by blood, adoption, or marriage.

(14) (i) "Total real property tax" means the product of the sum of all property tax rates on real property, including special district tax rates, for the taxable year on a dwelling, multiplied by the lesser of:

1. $300,000; or

2. the assessed value of the dwelling reduced by the amount of any assessment on which a property tax credit is granted under § 9–105 of this subtitle.

(ii) "Total real property tax" does not include any adjustment for any other property tax credit under this title claimed against the property tax imposed on the dwelling.

(b) (1) The homeowners' tax credit under this section is a State–funded program.

(2) It is the intent of the General Assembly that:

(i) the State shall appropriate sufficient funds to reimburse the full amount of tax credits granted under this section; and

(ii) the State, and not the local governments, shall bear the burden of any insufficiency of funds to fully reimburse the counties for property tax credits under this section.

(3) For any fiscal year, if State appropriations for reimbursement of tax credits under this section do not provide sufficient funds to fully reimburse the counties for tax credits granted under this section, the Governor shall include in the budget bill for the next fiscal year a deficiency appropriation to provide the additional funds to fully reimburse the counties.

(c) The Department shall adopt regulations to carry out this section.

(d) (1) Except as provided in subsection (e) of this section, the Department is responsible for the administrative duties that relate to the application and determination of eligibility for a property tax credit under this section.

(2) The Department may:

(i) make an agreement with a county collector for limited assistance with a part of the administrative duties; and

(ii) reimburse the county for the reasonable cost of the assistance provided.

(3) When an applicant for the property tax credit under this section resides in an independent living unit at a continuing care facility for the aged, the Department shall determine for the independent living unit:

(i) the lot size;

(ii) the assessed value of land and building; and

(iii) the total real property tax.

(e) (1) On or before May 1 of each year, the Department shall provide the Comptroller information identifying owners of residential properties with an assessed value not exceeding $300,000 who, during the preceding 3 years, failed to claim the property tax credit under this section.

(2) The Comptroller shall:

(i) review the information provided in accordance with paragraph (1) of this subsection and information that the Comptroller maintains regarding filers of income tax returns;

(ii) identify the individuals who may be eligible for but failed to claim the property tax credit under this section, including individuals who failed to file an income tax return for any of the 3 most recent taxable years; and

(iii) provide the Department the contact information of the individuals identified under item (ii) of this paragraph.

(3) (i) For income verification, the Comptroller shall:

1. cooperate with the Department in adopting a procedure to audit the application forms; and

2. notwithstanding § 13–202 of the Tax – General Article, supply the Department with additional information.

(ii) The Comptroller shall assist the Department in a postaudit of each application.

(4) On or before August 1 of each year, the Department shall contact each individual identified under paragraph (2) of this subsection by mail to inform the individual that the individual may be eligible for the property tax credit under this section and how to apply for the credit.

(f) A homeowner who meets the requirements of this section shall be granted the property tax credit under this section against the property tax imposed on the real property of the dwelling.

(g) (1) Except as provided in subsection (h) of this section, the property tax credit under this section is the total real property tax of a dwelling, less the

percentage of the combined income of the homeowner that is described in paragraph (2) of this subsection.

(2) The percentage is:

(i) 0% of the 1st $8,000 of combined income;

(ii) 4% of the next $4,000 of combined income;

(iii) 6.5% of the next $4,000 of combined income; and

(iv) 9% of the combined income over $16,000.

(h) For home purchasers, the property tax credit is the amount of the credit as calculated under subsection (g) of this section multiplied by a fraction, where:

(1) the numerator of the fraction is the number of days in the fiscal year that the home purchaser actually occupies or expects to actually occupy a dwelling in which the home purchaser has a legal interest; and

(2) the denominator is 365 days.

(i) If a surviving spouse of a homeowner has not remarried and meets the qualifications except for age or disability, the property tax credit under this section is available to the unmarried surviving spouse.

(j) (1) A property tax credit under this section may not be granted to a homeowner whose combined net worth exceeds $200,000 as of December 31 of the calendar year that precedes the year in which the homeowner applies for the property tax credit or whose combined gross income exceeds $60,000 in that same calendar year.

(2) If a property tax credit under this section is less than $1 in any taxable year, the credit may not be granted.

(3) A homeowner may claim a property tax credit under this section for only 1 dwelling.

(4) Except as provided in subsection (u) of this section, if a property tax credit is issued under this section, the credit or a voucher for a credit may be used only in the taxable year in which it was issued or the next succeeding taxable year. However, a homeowner whose dwelling is sold for taxes may receive the credit until the final decree under § 14–844 of this article is entered.

(k) A homeowner may qualify for a property tax credit under this section if the homeowner does not actually reside in the dwelling for the required time period because of illness or need of special care even if the homeowner:

(1) rents the dwelling for less than 1 year; or

(2) rents the dwelling for more than 1 year to a member of the homeowner's immediate family.

(l) (1) On or before the February 15 that precedes the taxable year in which the property tax credit under this section is sought, the Department shall make available that year's property tax credit application form.

(2) (i) Except as provided in subsections (m), (u), and (v) of this section, on or before October 1 of the taxable year in which the property tax credit under this section is sought, a homeowner may apply to the Department for a property tax credit under this section.

(ii) The application shall be made on the form that the Department provides.

(3) (i) For good cause, the Department may accept an application after October 1 but on or before October 31 of the taxable year.

(ii) The Department shall notify the homeowner in writing of its acceptance or rejection of a late application.

(4) The homeowner shall state under oath that the facts in the application are true.

(5) (i) Except as provided in subparagraph (ii) of this paragraph, to substantiate the application, the applicant may be required to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(ii) An applicant who is required to substantiate an application under subparagraph (i) of this paragraph may, under penalties of perjury, attest to gross income in lieu of providing an income tax return if the applicant was not required to and did not file an income tax return.

(m) (1) A home purchaser may apply to the Department for a property tax credit under this section after the execution of a contract of sale on the dwelling or settlement on the dwelling by filing an application on the form that the Department provides.

(2) The home purchaser shall state under oath that the facts in the application are true.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, to substantiate the application, the Department may require the applicant to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(ii) An applicant who is required to substantiate an application under subparagraph (i) of this paragraph may, under penalties of perjury, attest to gross income in lieu of providing an income tax return if the applicant was not required to and did not file an income tax return.

(4) If the home purchaser files an application for a credit under this section prior to settlement, the purchaser must file this application within 7 working days after the execution of a contract of sale.

(5) Upon receipt of an application prior to settlement, the Department:

(i) may further require the applicant to provide a copy of the executed sale agreement;

(ii) shall determine the amount, if any, of the credit for which the home purchaser is eligible under this section; and

(iii) shall notify the home purchaser in writing of its decision within 5 working days from receipt of the application.

(6) The Department shall adopt regulations governing the application for and granting of a credit before settlement as provided under this section.

(7) On certification by the Department, the Comptroller shall pay to the home purchaser the property tax credit due under this section unless the credit was used to adjust the home purchaser's final tax liability paid at settlement under subsection (r) of this section.

(n) The Department shall notify an applicant in writing if the applicant is not eligible for the property tax credit under this section.

(o) (1) For any eligible application received before the April 15 that precedes the taxable year in which the property tax credit under this section is sought, the Department shall request the appropriate county collector to prepare a tax bill that reflects the final tax liability.

(2) If a homeowner presents the revised tax bill or a tax voucher with the tax bill to the county collector, the homeowner may make a single payment for the final tax liability.

(3) Except as provided in subsection (u) of this section, if a credit is granted for an eligible application received after April 15, property tax is not due on the property until 30 days after the revised tax bill is sent to the homeowner.

(4) If a municipal corporation or a special taxing district issues a tax bill separate from the county tax bill, the county may require the homeowner to submit:

(i) the separate tax bill; or

(ii) proof of payment of the separate tax bill.

(p) If a municipal corporation or a special taxing district issues a tax bill to a homeowner, the Department shall include the property tax rate of the municipal corporation or the special taxing district in calculating the property tax credit under this section and final tax liability.

(q) (1) Except for transfers between spouses, including a conveyance to a surviving spouse from the personal representative of a deceased spouse, if a homeowner transfers a dwelling that is subject to a property tax credit under this section, the property tax credit ends on the date that the property is transferred. The credit is not ended if the transfer is between spouses.

(2) The total amount of the property tax credit under this section is included in determining the amount of property tax that is:

(i) paid by the homeowner; and

(ii) adjusted at the time of settlement between the homeowner and the buyer.

(3) The homeowner is credited for the part of the property tax credit under this section that the homeowner's period of ownership during the taxable year in which the transfer occurs bears to the entire taxable year. The buyer shall pay the remaining part of the property tax credit under this section to the county.

(4) Any property tax credit under this section that is collected by a county from a buyer under this subsection shall be credited to the State less any cost incurred by any county or a municipal corporation.

(r) The final tax liability of a home purchaser due at settlement shall be adjusted to reflect any credit certified by the Department.

(s) (1) Each month or more frequently, if appropriate, each county collector shall submit a request to the Department for reimbursement for an amount equal to the property tax credits under this section and redeemed property tax credit vouchers paid under this section.

(2) The request may not include the property tax credits for which the county or municipal corporation is responsible under § 9–101(g) of this subtitle.

(3) Within 5 working days after receipt of the request the Department shall certify to the Comptroller the amount of reimbursement due to each county.

(4) Within 5 working days:

(i) the Comptroller shall make the reimbursement to each county; or

(ii) the appropriate county collector may withhold an amount of State taxes sufficient to reimburse the county.

(t) (1) An eligible homeowner who has a continuing care contract for an independent living unit at a continuing care facility for the aged shall receive payment for the amount of the property tax credit under this section from the Comptroller upon certification by the Department. A credit granted to the homeowner under this subsection may not be assigned to the continuing care facility.

(2) (i) Notwithstanding the provisions of subsection (g) of this section, if a homeowner under this subsection is a disabled veteran, the homeowner may receive a credit for the total real property tax attributable to the independent living unit, up to the maximum credit authorized under this section.

(ii) A disabled veteran may apply for the credit under this subsection by providing the Department with the information required under subsection (l) of this section and § 7–208(d) of this article.

(3) The surviving spouse of a disabled veteran may, upon application, continue to receive the credit provided under this subsection until the surviving spouse remarries.

(u) (1) Under the conditions set forth in this subsection, the Department may accept an application from a homeowner within:

(i) 1 year after April 15 of the taxable year for which the property tax credit under this section is sought, if the homeowner:

1. is applying for the first time; or

2. has filed an application on or before October 1 in each of the 3 taxable years immediately preceding the taxable year for which the credit is sought; or

(ii) 3 years after April 15 of the taxable year for which a credit is sought, if the homeowner is:

1. A. at least 70 years old as of the taxable year for which a credit is sought; or

B. enrolled in the Homeowner Protection Program established under Title 14, Subtitle 8, Part VII of this article; and

2. was eligible for the credit under this section for the taxable year for which the credit is sought.

(2) A homeowner may apply to the Department for a property tax credit under this section by filing an application on the form that the Department provides.

(3) The homeowner shall state under oath that the facts in the application are true.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, to substantiate the application, the Department may require the homeowner to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(ii) A homeowner who is required to substantiate an application under subparagraph (i) of this paragraph may, under penalties of perjury, attest to gross income in lieu of providing an income tax return if the homeowner was not required to and did not file an income tax return.

(5) On certification by the Department, the Comptroller shall pay to the homeowner the property tax credit due under this section.

(v) (1) In this subsection, "qualified homeowner" means a homeowner whose gross income includes income only from the following sources:

(i) any benefit under the Social Security Act;

(ii) a pension; or

(iii) an annuity.

(2) (i) Subject to subparagraph (ii) of this paragraph, to be eligible for the property tax credit under this section, a qualified homeowner is required to submit the application under subsection (l) of this section only in:

1. the first year the qualified homeowner applies for the credit; and

2. every third year thereafter.

(ii) For any year in which the application under subsection (l) of this section is not required, to be eligible for the property tax credit under this section, a qualified homeowner shall submit to the Department either:

1. a certification that:

A. the homeowner resided in the dwelling for at least 6 months in the preceding calendar year;

B. the homeowner continued to have income only from Social Security, a pension, or an annuity in the preceding calendar year; and

C. the individuals living in the homeowner's household did not change in the preceding calendar year; or

2. the application under subsection (l) of this section.

(iii) A qualified homeowner who submits a certification under subparagraph (ii)1 of this paragraph may not be required to submit any proof of income in addition to the certification.

§9–105.

(a) (1) In this section the following words have the meanings indicated.

(2) "Active member" means:

(i) a shareholder in a family corporation;

(ii) a partner in a general partnership; or

(iii) a member of a limited liability company or partner in a limited liability partnership who has or shares the authority to manage, control, and operate the limited liability company or limited liability partnership and who shares the assets and earnings of the limited liability company or limited liability partnership under an operating agreement under § 4A–402 of the Corporations and Associations Article or under a partnership agreement.

(3) "Agricultural ownership entity" means a family corporation, general partnership, limited liability company, or limited liability partnership that:

(i) owns real property that:

1. includes land receiving an agricultural use assessment under § 8–209 of this article; and

2. includes land used as a homesite that is part of or contiguous to a parcel described in item 1 of this item;

(ii) owns personal property used to operate the agricultural land; and

(iii) owns no other property.

(4) "Bicounty commission" means:

(i) the Maryland–National Capital Park and Planning Commission;

(ii) the Washington Suburban Sanitary Commission; or

(iii) the Washington Suburban Transit Commission.

(5) (i) "Dwelling" means:

1. a house that is:

A. used as the principal residence of the homeowner; and

B. actually occupied or expected to be actually occupied by the homeowner for more than 6 months of a 12–month period beginning with the date of finality for the taxable year for which the property tax credit under this section is sought; and

2. the lot or curtilage on which the house is erected.

(ii) "Dwelling" includes:

1. a condominium unit that is occupied by an individual who has a legal interest in the condominium;

2. an apartment in a cooperative apartment corporation that is occupied by an individual who has a legal interest in the apartment; and

3. a part of real property used other than primarily for residential purposes, if the real property is used as a principal residence by an individual who has a legal interest in the real property.

(6) "Family corporation" means a corporation that does not have any stockholders other than the homeowner and the following members of the homeowner's family:

(i) a spouse or former spouse;

(ii) a child or stepchild;

(iii) a parent or stepparent;

(iv) a brother or sister;

(v) a son–in–law, daughter–in–law, stepson–in–law, or stepdaughter–in–law;

(vi) a grandchild or stepgrandchild; or

(vii) a grandparent or stepgrandparent.

(7) "Homeowner" means an individual who has a legal interest in a dwelling or who is an active member of an agricultural ownership entity that has a legal interest in a dwelling.

(8) "Legal interest" means an interest in a dwelling:

(i) as a sole owner;

(ii) as a joint tenant;

(iii) as a tenant in common;

(iv) as a tenant by the entireties;

(v) through membership in a cooperative;

(vi) under a land installment contract, as defined in § 10–101 of the Real Property Article;

(vii) as a holder of a life estate; or

(viii) as a settlor, grantor, or beneficiary of a trust if:

1. the settlor, grantor, or beneficiary of the trust does not pay rent or other remuneration to reside in the dwelling; and

2. legal title to the dwelling is held in the name of the trust or in the names of the trustees for the trust.

(9) "Taxable assessment" means the assessment on which the property tax rate was imposed in the preceding taxable year, adjusted by the phased–in assessment increase resulting from a revaluation under § 8–104(c)(1)(iii) of this article, less the amount of any assessment on which a property tax credit under this section is authorized.

(b) (1) If there is an increase in property assessment as calculated under this section, the State and the governing body of each county and of each municipal corporation shall grant a property tax credit under this section against the State, county, and municipal corporation property tax imposed on real property by the State, county, or municipal corporation.

(2) A property tax credit granted under this section shall be applicable to any State, county, or municipal corporation property tax and any property tax imposed for a bicounty commission.

(c) (1) If a dwelling is not used primarily for residential purposes, the Department shall apportion the total property assessment between the part of the dwelling that is used for residential purposes and the part of the dwelling that is not used for residential purposes.

(2) If a homeowner does not actually reside in a dwelling for the required time period because of illness or need of special care and is otherwise eligible for a property tax credit under this section, the homeowner may qualify for the property tax credit under this section.

(3) If a homeowner otherwise eligible for a credit under this section does not actually reside in a dwelling for the required time period because the dwelling is damaged due to an accident or natural disaster, the homeowner may continue to qualify for a credit under this section for the current taxable year and 2 succeeding taxable years even if the dwelling has been removed from the assessment roll in accordance with § 10–304 of this article.

(4) (i) For a homeowner who is an active member of an agricultural ownership entity to qualify for the property tax credit under this section:

1. the dwelling must have been owned and occupied by the active member:

A. at the time of its transfer to the agricultural ownership entity; or

B. if the agricultural ownership entity is a limited liability company and the dwelling was originally transferred to the agricultural ownership entity as part of a conversion from a partnership under § 4A–211 of the Corporations and Associations Article, then at the time of its transfer to the former partnership; and

2. the agricultural ownership entity and the active member who occupies the dwelling must file an application with the Department establishing initial eligibility for the credit on or before June 30 for the following taxable year and, at the request of the Department, must file an application in any future year to verify continued eligibility.

(ii) Failure to file a timely application may result in disqualification from the Homestead Tax Credit Program for the following taxable year.

(iii) The credit may only be granted to one dwelling owned by the agricultural ownership entity.

(iv) Participation in the credit program as the active member of an agricultural ownership entity disqualifies any other dwellings owned by the active member for the credit.

(5) (i) This paragraph applies only if the homeowner owned and occupied a dwelling on the subject property as the homeowner's principal residence for at least the 3 tax years immediately preceding the razing of the dwelling or the commencement of substantial improvements on the property.

(ii) If a homeowner otherwise eligible for a credit under this section does not actually reside in a dwelling on the subject property for the required period of time under subsection (a)(5) or (d)(2) of this section because the dwelling was razed by the homeowner for the purpose of replacing it with a new dwelling or was vacated by the homeowner for the purpose of making substantial improvements to the property, the homeowner may continue to qualify for a credit under this section for the tax year in which the razing or the substantial improvements were commenced and 1 succeeding tax year even if the dwelling has been removed from the assessment roll.

(iii) If a homeowner qualifies for a credit under this paragraph, the full benefit of the credit existing at the commencement of the tax year in which the razing or vacating of the dwelling occurred may not be diminished during that tax year except that neither the calculation of the abatement nor the assessment under this paragraph shall include an assessment less than zero.

(iv) If a homeowner qualifies for a credit under this paragraph, the calculation of the credit associated with the initial taxable assessment of the substantially completed new improvements, which is effective on or before the second July 1 after the razing or vacating of the dwelling, shall include the revaluation under § 8–104(c)(1)(iii) of this article.

(6) (i) This paragraph applies if:

1. the credit under this section has been denied for a dwelling for any taxable year because of the homeowner's failure to occupy the dwelling for the required time period; and

2. the homeowner's failure to occupy the dwelling for the required time period was the result of the homeowner's being an employee of the United States government stationed outside the State for a period not exceeding 6 consecutive years.

(ii) Subject to subparagraph (iii) of this paragraph, a homeowner otherwise eligible for a credit under this section may qualify for the credit for a dwelling to which this paragraph applies for the next taxable year following the homeowner's resumption of residency in the dwelling.

(iii) The credit allowed under this paragraph shall be calculated based on the prior year's taxable assessment of the dwelling determined as if the credit had not been lost for the intervening taxable years when the homeowner was an employee of the United States government stationed outside the State.

(d) (1) Subject to the provisions of paragraph (6) of this subsection, the Department shall authorize and the State, a county, or a municipal corporation shall grant a property tax credit under this section for a taxable year unless during the previous taxable year:

(i) the dwelling was transferred for consideration to new ownership;

(ii) the value of the dwelling was increased due to a change in the zoning classification of the dwelling initiated or requested by the homeowner or anyone having an interest in the property;

(iii) the use of the dwelling was changed substantially; or

(iv) the assessment of the dwelling was clearly erroneous due to an error in calculation or measurement of improvements on the real property.

(2) A homeowner must actually reside in the dwelling by July 1 of the taxable year for which the property tax credit under this section is to be allowed.

(3) A homeowner may claim a property tax credit under this section for only 1 dwelling.

(4) If a property tax credit under this section is less than $1 in any taxable year, the tax credit may not be granted.

(5) (i) If the dwelling was transferred for consideration in a deed dated on or after January 1 but before the beginning of the next taxable year and the deed was recorded with the clerk of the circuit court or the Department on or after July 1 but before September 1 of the next taxable year, the new owner may submit a written application to the Department on or before September 1 of the second taxable year following the date of the deed requesting that the date of the deed be accepted by the Department as the date of transfer under paragraph (1) of this subsection.

(ii) 1. The applicant shall submit with the written application a copy of the executed deed evidencing the date of the transfer.

2. If the applicant fails to submit a copy of the executed deed as required under subsubparagraph 1 of this subparagraph, the Department shall deny the application.

(iii) The date of the transfer under this paragraph is the effective date of the deed as described under § 3–201 of the Real Property Article.

(iv) If a homeowner submits an eligible application under this paragraph after May 1 of the first taxable year following the date of the deed and the homeowner is due to receive a reduction in the homeowner's property tax bill in the second taxable year following the date of the deed as a result of the credit under this section, property tax is not due on the dwelling for the second taxable year following the date of the deed until 30 days after a revised tax bill is sent to the homeowner.

(6) (i) Except as provided under paragraph (7) of this subsection, to qualify for the credit under this section, a homeowner shall submit an application for the credit to the Department as provided in this paragraph.

(ii) The application shall:

1. be made on the form that the Department provides;

2. provide the information required by the form;

3. include a statement by the homeowner under oath that the facts stated in the application are true, correct, and complete; and

4. except as provided in subparagraph (iii) of this paragraph, be filed on or before the May 1 preceding the first taxable year for which the property tax credit under this section is to be allowed.

(iii) For a dwelling that was last transferred for consideration to new ownership on or before December 31, 2007, an application shall be filed with the Department on or before December 30, 2013, or the Department may not authorize and the State, county, and municipal corporation may not grant the property tax credit under this section:

1. for the taxable year beginning July 1, 2014; and

2. for a taxable year beginning after June 30, 2015, unless an application is filed as required under subparagraphs (i) and (ii) of this paragraph.

(iv) If a dwelling previously received a credit under this section and failed to qualify for 1 taxable year because of a failure to file the application required under this paragraph, the Department:

1. shall grant the credit for the dwelling for the next following taxable year on the timely filing of the application by the same homeowner who previously received the credit; and

2. shall calculate the prior year's taxable assessment for the dwelling as if the credit had not been lost for the 1 intervening taxable year.

(v) The Department shall provide a homeowner the option to submit the application required under this paragraph electronically on the Department's website.

(7) If a homeowner submits an application to the Department under this section and the Department determines that the homeowner was eligible for the credit in the prior taxable year but failed to file an application for the credit as required under this subsection:

(i) the homeowner shall be retroactively qualified for the Homestead Property Tax Credit Program for the prior taxable year; and

(ii) the Department shall calculate the prior year's taxable assessment as if the credit had been granted for the prior taxable year.

(8) (i) This paragraph shall be interpreted broadly to apply to any homeowner who:

1. is at least 70 years of age;

2. was eligible for the credit in the prior taxable year but failed to file an application for the credit; and

3. applies for a credit for the current taxable year.

(ii) For homeowners that meet the criteria under subparagraph (i) of this paragraph, the Department shall calculate the current year's taxable assessment as if the credit had been granted for the prior taxable year.

(iii) A homeowner who meets the criteria under subparagraph (i) of this paragraph is not due a reimbursement of property taxes paid in prior taxable years.

(e) (1) For each taxable year, the property tax credit under this section is calculated by:

(i) multiplying the prior year's taxable assessment by the homestead credit percentage as provided under paragraph (2) of this subsection;

(ii) subtracting that amount from the current year's assessment; and

(iii) if the difference is a positive number, multiplying the difference by the applicable property tax rate for the current year.

(2) For each taxable year, the homestead credit percentage under paragraph (1)(i) of this subsection is:

(i) for the State property tax and for any property tax imposed for a bicounty commission, 110%;

(ii) for the county property tax:

1. the homestead credit percentage established by the county under paragraph (3) of this subsection; or

2. if the county has not set a percentage for the taxable year under paragraph (3) of this subsection or has not notified the Department as required under paragraph (6) of this subsection, the homestead credit percentage in effect for the county for the preceding taxable year; and

(iii) for the municipal corporation property tax:

1. the homestead credit percentage established by the municipal corporation under paragraph (4) of this subsection; or

2. if the municipal corporation has not set a percentage under paragraph (4) of this subsection or has not notified the Department as required under paragraph (7) of this subsection, the homestead credit percentage for the taxable year for the county in which the property is located.

(3) Subject to paragraph (5) of this subsection, the Mayor and City Council of Baltimore City and the governing body of a county on or before March 15 of any year shall set, by law, the homestead credit percentage for the taxable year beginning the following July 1.

(4) Subject to paragraph (5) of this subsection, on or before March 25 of any year, the governing body of a municipal corporation may set or alter, by law, a homestead credit percentage for the taxable year beginning the following July 1 and any subsequent taxable year.

(5) The homestead credit percentage for any county or municipal corporation property tax:

(i) may not be less than 100% or exceed 110% for any taxable year; and

(ii) shall be expressed in increments of 1 percentage point.

(6) The Mayor and City Council of Baltimore City and the governing body of a county shall notify the Department of any action taken under paragraph (3) of this subsection on or before March 15 preceding the taxable year for which the action is taken.

(7) A municipal corporation shall notify the Department of any action taken under paragraph (4) of this subsection on or before March 25 preceding the taxable year for which the action is taken.

(f) (1) The Department shall give notice of the possible property tax credit under this section.

(2) In addition to any other notice the Department provides under this subsection, the Department shall:

(i) identify homeowners who may be eligible but have failed to apply for the property tax credit under this section; and

(ii) include a separate insert with each assessment notice sent under § 8–401 of this article to each homeowner identified under item (i) of this paragraph that informs the homeowner that the homeowner may be eligible for the property tax credit under this section and how to apply for the credit.

(3) In addition to any other notice the Department provides under this subsection, the Department shall mail a notice to each individual who acquires residential real property and has not applied for the credit under this section within a reasonable period of time after the individual:

(i) acquires the property by recorded deed; and

(ii) indicates that the property will be the individual's principal residence on the corresponding land instrument intake sheet described under § 3–104 of the Real Property Article.

(4) The notice required under paragraph (3) of this subsection shall:

(i) inform the individual that the individual may be eligible for the property tax credit under this section;

(ii) contain information on how to apply for the credit; and

(iii) inform the individual that the individual may apply to the Department to have the date of the deed accepted as the date of transfer of the property for purposes of the credit as provided in subsection (d)(5) of this section.

(5) (i) The Department shall design a document concerning the credit under this section that shall be presented to the buyer of residential property at the settlement for the property by the person conducting the settlement.

(ii) The document under this paragraph shall include:

1. the following statement in conspicuous type: "If you plan to live in this home as your principal residence, you may qualify for the homestead property tax credit. The homestead property tax credit may significantly reduce the amount of property taxes you owe.";

2. instructions on how to apply for the credit online; and

3. a complete application for the credit and instructions on how to submit the paper application to the Department.

(iii) The Department shall make the document under this paragraph available on its website where it may be easily accessed by persons conducting settlements for residential property.

(6) The Department shall ensure that the information it provides under this subsection is accurate and up–to–date.

(g) A homeowner who meets the requirements of this section shall be granted the property tax credit under this section against the State, county, and municipal corporation property tax and any property tax imposed for a bicounty commission imposed on the real property of the dwelling.

(h) The tax credit under this section shall be included on the homeowner's property tax bill.

(i) (1) When property that has received a credit under this section for the current taxable year includes improvements that are removed from the assessment roll under § 10–304 of this article because of damage due to an accident or a natural disaster:

(i) the full benefit of the property tax abatement under § 10–304 of this article may not be diminished by the amount of the credit;

(ii) the full benefit of that credit may not be diminished by the property tax abatement under § 10–304 of this article and shall be reflected in the assessment of the total property, including any new improvements, for the current taxable year; and

(iii) the property shall be eligible to receive a credit under this section for the current taxable year and the two succeeding taxable years regardless of the existence or condition of the dwelling.

(2) Neither the calculation of the abatement nor the assessment under this subsection shall include an assessment less than zero.

(j) The Department shall adopt rules and regulations to implement this section.

(k) The tax credit under this section shall be known as the homestead property tax credit.

(l) The Comptroller shall:

(1) cooperate with the Department in adopting a procedure to audit the application forms submitted under this section;

(2) notwithstanding § 13–202 of the Tax – General Article, provide additional information to the Department; and

(3) assist the Department in a postaudit of each application.

(m) (1) The counties shall reimburse the Department for the administration of the application process under subsection (d)(6) of this section.

(2) For each fiscal year, the reimbursement required under this subsection shall be prorated based on the ratio of the number of improved properties

that would be eligible for the credit under this section located in the county compared to the total number of improved residential properties eligible for the credit under this section statewide as of July 1 of that fiscal year.

(3) The Department shall bill each county according to the formula under paragraph (2) of this subsection.

(n) (1) A person who has been granted a property tax credit under this section and is subsequently found to not qualify for the credit by the Department shall be assessed all State, county, and municipal corporation property tax otherwise due for each taxable year the person did not qualify to receive the credit.

(2) (i) If a person is found by the Department to have willfully misrepresented facts regarding qualification for the property tax credit under this section, the person shall be assessed a penalty equal to 25% of the amount of the property tax credit received during each taxable year for which the person did not qualify.

(ii) The amount of the penalty shall be separately itemized on the person's property tax bill and constitutes a lien on the property until:

1. payment of the penalty in full; or

2. if the property is sold in an action to foreclose on a mortgage or deed of trust:

A. a copy of the court order ratifying the foreclosure sale is provided to the supervisor of assessments for the county in which the residential property is located; or

B. an instrument of writing transferring the property is recorded in the land records of the county in which the property is located.

(3) If a lien is released under paragraph (2)(ii)2 of this subsection, any unpaid penalty amount shall remain the personal liability of the person against whom the penalty was assessed.

(4) A person may appeal a determination made under this subsection in accordance with the policies and procedures set forth in § 14–506 of this article.

§9–105.1.

(a) (1) In this section the following words have the meanings indicated.

(2) "Dwelling" has the meaning stated in § 9–105 of this subtitle.

(3) "Homeowner" has the meaning stated in § 9–105 of this subtitle.

(b) On or before January 1 each year, Baltimore City shall mail a notice of the tax credit under § 9–105 of this subtitle to each homeowner in Baltimore City:

(1) who has not applied for the tax credit under § 9–105 of this subtitle; and

(2) whose dwelling has an assessed value, when fully phased in, in the current 3–year assessment cycle that is more than 10% greater than the dwelling's assessed value, when fully phased in, in the immediately preceding 3–year assessment cycle.

(c) The notice shall include:

(1) a copy of the application for the tax credit under § 9–105 of this subtitle; and

(2) a separate insert that includes:

(i) the following statement in conspicuous type: "Because the value of your home has increased, the amount of property taxes you owe will also increase. But the amount of your tax increase will be significantly less if you qualify for the Homestead Property Tax Credit. You are strongly encouraged to apply for the Homestead Property Tax Credit."; and

(ii) any other relevant information, as determined by Baltimore City.

(d) Baltimore City shall pay all costs to carry out this section.

(e) On or before November 1 each year, the Department shall provide Baltimore City with a list of the homeowners to whom the notice must be mailed on or before the following January 1.

§9–106.

The governing body of a county or of a municipal corporation shall grant a property tax credit under this section against county or municipal corporation property tax imposed on property that is:

(1) owned by a local corporation affiliated with Ruritan International; and

(2) actually used only for the purposes of the local corporation.

§9–107.

(a) In this section, "conservation property" means land that is:

(1) unimproved;

(2) not used for commercial purposes; and

(3) subject to a perpetual conservation easement that is:

(i) donated to the Department of Natural Resources or the Maryland Environmental Trust and identifies the Department of Natural Resources or the Maryland Environmental Trust as a grantee under Title 3, Subtitle 2 of the Natural Resources Article; and

(ii) accepted and approved by the Board of Public Works after June 30, 1986.

(b) There shall be a property tax credit granted under this section against the property tax imposed on conservation property.

(c) On or before October 1 of the taxable year for which property tax relief under this section is sought, an owner of conservation property may apply to the Department for the property tax credit. The application shall be made on the form that the Department provides.

(d) The property tax credit provided under this section shall be granted against 100% of all property tax that otherwise would be due.

(e) Conservation property shall be valued and assessed as provided in § 8-209.1 of this article.

(f) A property tax credit granted under this section is effective for 15 consecutive tax years beginning July 1 following the donation of the easement.

§9–108.

(a) Subject to subsection (b) of this section, the governing body of a county or municipal corporation shall grant a property tax credit under this section against

the applicable county or municipal property tax imposed on vehicles valued as stock in business in an amount equal to:

(1) for the taxable year beginning July 1, 1990, 25% of the tax imposed on those vehicles; and

(2) for the taxable year beginning July 1, 1991 and each taxable year thereafter, 50% of the tax imposed on those vehicles.

(b) In addition to the property tax credit required under subsection (a) of this section, for the taxable year beginning July 1, 2019, and each taxable year thereafter, the governing body of a county or municipal corporation may grant a property tax credit under this section against the applicable county or municipal property tax imposed on vehicles valued as stock in business in an amount up to 100% of the tax imposed on those vehicles.

(c) In addition to the property tax credit required under subsection (a) of this section, the governing body of a county or municipal corporation shall grant a property tax credit under this section against the applicable county or municipal property tax imposed on vehicles valued as stock in business in an amount equal to any increase in property tax resulting from an increase in the percent of assessment over the percent of assessment which was in effect for fiscal year 1989.

§9–109.

(a) The Mayor and the City Council of Baltimore City and the governing body of each county and of each municipal corporation shall grant a property tax credit under this section against the county or municipal corporation property tax imposed on real property if:

(1) the homeowner is otherwise eligible for the credit allowed under § 9-105 of this subtitle;

(2) (i) the dwelling is:

1. damaged or destroyed due to a natural disaster; and

2. subsequently repaired or reconstructed;

(ii) the dwelling is revalued after the dwelling is repaired or reconstructed; and

(iii) as a result of the revaluation, the assessment of the dwelling exceeds the last assessment of the dwelling; and

(3) the homeowner claiming the credit had a legal interest in the dwelling at the time the dwelling was damaged or destroyed as described under item (2) of this subsection.

(b) The amount of the property tax credit allowed under this section shall equal 100% of the property tax attributable to an increase in the assessment of the dwelling upon revaluation under § 8-104(c)(1)(iii) of this article, including improvements, over the last assessment of the dwelling before the natural disaster, less the amount of any assessment on which a property tax credit under § 9-105 of this subtitle has been authorized.

(c) A credit under this section may not be granted for more than 5 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation shall:

(1) establish procedures or requirements for the application, review, and approval of tax credits under this section; and

(2) notify the Department of any credits that have been granted under this section.

(e) The credit under this section may not be claimed for a dwelling for which repair or reconstruction is completed before September 18, 2003.

§9–110.

(a) (1) In this section the following words have the meanings indicated.

(2) "Business entity" has the meaning stated in § 6–801 of the Economic Development Article.

(3) "Eligible project" has the meaning stated in § 6–801 of the Economic Development Article.

(4) "New business entity" has the meaning stated in § 6–801 of the Economic Development Article.

(5) "Qualified business entity" means a new business entity operating an eligible project in a Tier I area, as defined under § 6–801 of the Economic Development Article, if the business entity received a certificate under § 6–805 of the Economic Development Article before June 1, 2022.

(6) "Qualified position" has the meaning stated in § 6–801 of the Economic Development Article.

(7) "Qualified property" means real property where an eligible project is located.

(b) (1) There is a credit against the State property tax under this section imposed on real property owned by a qualified business entity enrolled in the More Jobs for Marylanders Program established under Title 6, Subtitle 8 of the Economic Development Article.

(2) (i) With respect to qualified property of a business entity described under § 6–801(c)(1)(i) of the Economic Development Article, the property tax credit provided under this section is equal to 100% of all State property tax that is due.

(ii) With respect to qualified property of a business entity other than a business entity described under § 6–801(c)(1)(i) of the Economic Development Article, the property tax credit provided under this section is equal to the lesser of:

1. 100% of all State property tax that is due; or

2. an amount not exceeding $250 per qualified position filled at the qualified property.

(3) The property tax credit provided under this section does not affect the amount of the county or municipal corporation property tax imposed on the property.

(c) By June 15 each year, the Department shall submit to the Department of Commerce a list that includes:

(1) the location of each qualified property;

(2) the amount of the base year value for each qualified property; and

(3) the amount of the State property tax assessed against each qualified property.

§9–111.

(a) (1) In this section the following words have the meanings indicated.

(2) "Brownfield" has the meaning stated in § 7–237 of this article.

(3) "Qualified property" means a brownfield, landfill, or clean fill on which a community solar energy generating system, as defined under § 7–306.2 of the Public Utilities Article, is installed.

(b) (1) The Mayor and City Council of Baltimore City and the governing body of each county and of each municipal corporation shall grant a property tax credit under this section against the county or municipal corporation property tax imposed on a qualified property.

(2) In addition to the property tax credit provided under paragraph (1) of this subsection, there is a credit against the State property tax that is imposed on qualified property.

(c) The amount of the property tax credit allowed under this section shall equal 50% of the State, county, or municipal corporation property tax that is imposed on the eligible assessment of qualified property.

(d) The property tax credit under this section may be granted only through the life cycle of a community solar energy generating system if the system installed on the qualified property:

(1) is placed in service after June 30, 2022; and

(2) has been approved by the Public Service Commission under § 7–306.2 of the Public Utilities Article on or before December 31, 2025.

(e) On or before June 15 each year, the Department shall submit to the Public Service Commission a list that includes:

(1) the location of each qualified property;

(2) the amount of the base year value for each qualified property; and

(3) the amount of the property tax assessed against each qualified property.

§9–201.

(a) In this section, "property tax credit" means a property tax credit or exemption that is granted under § 9-205 or § 9-209 of this subtitle or Subtitle 3 of this title.

(b) Annually on or before October 31, the Mayor and City Council of Baltimore City or each governing body that grants a property tax credit shall submit to the Department on the form that the Department provides the following information for the current taxable year:

(1) the total value of all property tax credits granted;

(2) an itemized list of all of the property tax credits granted for real property; and

(3) an itemized list of the property tax credits granted for personal property.

(c) The Mayor and City Council of Baltimore City or each governing body that grants a property tax credit shall:

(1) in the same manner as the assessment roll, make available for public inspection bound copies of the form required by subsection (b) of this section; and

(2) identify clearly on the tax roll the properties that are granted a property tax credit under this section.

§9–202.

The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on any improvement of real property that is:

(1) located on cemetery property exempt from property tax on real property under § 7-201 of this article; and

(2) used as a dwelling by an employee of the owner of the cemetery property.

§9–203.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on a structure, if to heat or cool the structure, to generate electricity to be used in the structure, or to provide hot water for use in the structure, the structure uses:

(1) a solar energy device;

(2) a geothermal energy device; or

(3) a qualifying energy conservation device.

(b) A county or municipal corporation may provide, by law, for:

(1) the amount of a property tax credit under this section;

(2) the duration of a property tax credit under this section not exceeding 3 years;

(3) the definition of:

(i) a solar energy device;

(ii) a geothermal energy device; and

(iii) a qualifying energy conservation device; and

(4) any other provision necessary to carry out this section.

§9–204.

(a) To qualify under this section, a structure shall:

(1) have historic value;

(2) have architectural value; or

(3) be designated under Title 8, § 10–204, or § 22–108 of the Land Use Article, § 10–324 or § 10–325 of the Local Government Article, or the charter powers of Baltimore City, as:

(i) an architecturally compatible new structure that is located in a historic district; or

(ii) a landmark.

(b) A property tax credit of up to 25% of the properly documented expenses of a private owner taxpayer for the restoration and preservation of a structure that the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation determines has historic or architectural value may be

granted, by law, by the Mayor and City Council of Baltimore City or the governing body against the county or municipal corporation property tax imposed.

(c) A property tax credit of up to 5% of the properly documented expenses of a private owner taxpayer for the construction of an architecturally compatible new structure in a historic district may be granted, by law, by the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation against the county or municipal corporation property tax imposed.

(d) If a historic district commission is established by the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation, only the historic district commission shall designate each structure in the county or municipal corporation that is eligible for a property tax credit under this section.

(e) A property tax credit granted in 1 year under this section may be applied to any property tax on the structure for up to 5 subsequent tax years.

(f) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide for any procedure or condition necessary to carry out this section.

(g) The county or a municipal corporation may require the owner of a structure granted a tax credit under this section to periodically exhibit the structure for public education.

§9–204.1.

(a) In this section, "eligible improvements" means significant improvements to, or restoration or rehabilitation of, historic or heritage properties.

(b) The General Assembly declares that it is in the general public interest to foster and encourage historic preservation and heritage tourism activities through improvement, restoration, and rehabilitation of, historic or heritage property so as to:

(1) preserve and protect the heritage of the State as represented by its remaining historic buildings and structures;

(2) stimulate the positive aspects of historic or heritage preservation, such as economic development and employment opportunities; and

(3) implement and effect local government planning activities aimed at preserving historic structures, sites, districts, and heritage areas.

(c) It is the intent of the General Assembly that:

(1) the taxation of significant improvements to, and restoration or rehabilitation of, historic or heritage properties be maintained, for a period of up to 10 years, at taxation levels not greater than those in place before the eligible improvements if approved as part of a local government plan for historic or heritage preservation;

(2) the methods and procedures to implement a program for the purposes of this section be determined by the applicable local government; and

(3) State financial assistance to a local government not be conditioned upon the local government implementing a program under this section.

(d) The governing body of each county, except in Baltimore City, and the governing body of each municipal corporation may:

(1) implement, by law, a program that provides for a property tax credit not to exceed the difference between:

(i) the property tax that, but for the tax credit, would be payable after the completion of eligible improvements; and

(ii) the property tax that would be payable if the eligible improvements were not made; and

(2) adopt any requirements and procedures that are necessary or appropriate to carry out the purposes of this section.

(e) (1) The Mayor and City Council of Baltimore City may:

(i) implement, by law, a program that provides a property tax credit not to exceed:

1. for property tax credits initially granted prior to October 1, 2014, and for the duration of the credit, the difference between:

A. the real property tax on the most recent full cash value of the property before the commencement of eligible improvements; and

B. the real property tax on the most recent full cash value of the property after completion of the eligible improvements; or

2. for property tax credits initially granted on or after October 1, 2014, and for the duration of the credit, the difference between:

A. the real property tax on the full cash value of the property before the commencement of eligible improvements; and

B. the real property tax on the full cash value of the property after completion of the eligible improvements; and

(ii) adopt any requirements and procedures that are necessary or appropriate to carry out the purposes of this section.

(2) For purposes of the calculation under paragraph (1)(i)1 of this subsection, the full cash value of the property shall be the full cash value prior to phase in as determined by the Department through the assessment procedures established under Title 8 of this article.

(3) For purposes of the calculation under paragraph (1)(i)2 of this subsection, the full cash value of the property shall be determined by an appraisal of the property before commencement and after completion of eligible improvements by a professional appraiser selected by the Mayor and City Council of Baltimore City and licensed under Title 16, Subtitle 3 of the Business Occupations and Professions Article.

(f) A property tax credit provided for under this section shall:

(1) be subject to eligibility requirements no less stringent than those applicable to credits authorized under § 9–204 of this subtitle;

(2) be for a period that does not exceed 10 years for each property;

(3) apply to eligible improvements which are:

(i) located within the boundaries of:

1. a property listed individually on the National Register of Historic Places, or a national register historic or landmark district;

2. a property or district designated as a historic property or district under local law; or

3. a property included within the boundaries of a certified heritage area under § 13–1111 of the Financial Institutions Article; and

(ii) for a property or district under paragraph (3)(i)1 or 2 of this subsection, determined by the local historic district commission to be compatible with local historic preservation standards.

§9–205.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on part or all of the property of any manufacturing, fabricating, or assembling facility that:

(1) locates in the county or municipal corporation;

(2) expands in the county or municipal corporation; or

(3) develops a new product or industrial process.

(b) A property tax credit under this section may be granted on up to 100% of the county or municipal corporation property tax against the property described in subsection (a) of this section.

(c) A property tax credit granted under this section may be granted for the period of years from the date of completion of a new facility or expansion of a facility that the Mayor and City Council of Baltimore City or the appropriate governing body determines.

(d) The Mayor and City Council of Baltimore City or the appropriate governing body may:

(1) adopt regulations necessary to carry out this section; and

(2) provide any other restriction or condition considered desirable.

(e) The Mayor and City Council of Baltimore City or each governing body shall designate the administrative unit or official to administer the property tax credit granted under this section.

(f) When a tax bill is sent to a taxpayer who may be eligible for a property tax credit under this section, the Mayor and City Council of Baltimore City or the appropriate governing body shall give notice of the property tax credit under this section to the taxpayer.

(g) (1) A taxpayer must apply to receive a tax credit under this section.

(2) Except in Frederick County, if a taxpayer fails to apply for a property tax credit under this section on or before October 1 of each taxable year, the property tax credit may not be granted.

(3) In Frederick County, a taxpayer may apply for a property tax credit under this section on or before October 1 of the taxable year, and the property tax credit received shall continue from year to year until the property is conveyed.

(4) A taxpayer shall state under oath that the facts in the application are true.

(h) Each governing body that grants a property tax credit under this section shall submit to the Department a copy of the law granting the credit.

(i) (1) Except as provided in paragraph (2) of this subsection, to the extent that a county grants a tax credit under this section for manufacturing personal property described in § 7-225 of this article, the personal property may not be treated as taxable personal property for the purpose of computing any payments of State aid to education under § 5-202 of the Education Article or other payments of State aid to counties or municipal corporations that by law are based on the assessment of property.

(2) Paragraph (1) of this subsection does not apply to any manufacturing personal property unless the county that grants a tax credit under this section for the property submits to the Department, on or before October 31 of the taxable year for which the credit is granted:

(i) the information required under § 9-201(b) of this subtitle regarding the tax credit; and

(ii) an itemized list of the property tax credits granted for manufacturing personal property described in § 7-225 of this article.

§9–206.

(a) In this section, "agricultural land" means real property subject to an easement or other interest that is permanently conveyed or assigned to the Maryland Agricultural Land Preservation Foundation under § 2-504 of the Agriculture Article.

(b) The Mayor and City Council of Baltimore City or the governing body of a county may grant, by law, a property tax credit not exceeding 75% of any county property tax imposed on agricultural land.

(c) The Mayor and City Council of Baltimore City or the governing body of a county may provide, by law, any procedural or enforcement provision necessary to carry out this section.

(d) Valuation and assessment of agricultural land shall be made in the same manner as any other real property in the county.

§9–207.

(a) (1) In this section, "dwelling" means:

(i) a newly constructed or substantially rehabilitated single dwelling unit that is unsold or unrented; or

(ii) newly constructed or substantially rehabilitated commercial property that is unsold or unrented.

(2) "Dwelling" does not include land.

(b) (1) A property tax credit granted under this section applies only to county or municipal corporation property tax.

(2) This section does not apply to Baltimore City.

(c) If the owner of a dwelling applies to the county or the municipal corporation where the dwelling is located for a property tax credit under this section, the appropriate governing body may grant, by law, a property tax credit not exceeding 100% of the county or municipal corporation property tax imposed on the dwelling.

(d) The appropriate governing body may:

(1) determine the amount of the eligibility requirements for this credit; and

(2) provide for procedures necessary to apply for a property tax credit under this section.

(e) When the owner of a dwelling applies to the appropriate governing body for a property tax credit under this section, the owner shall certify that the dwelling is unsold and unrented.

(f) A recipient of a property tax credit under this section shall send immediately on or before the date of occupancy to the appropriate governing body a notice that the dwelling has been sold, rented, or occupied.

(g) A property tax credit granted under this section is available:

(1) as long as the dwelling remains unsold or unrented; and

(2) over a continuous period of time not exceeding 1 year.

(h) If a recipient of a property tax credit under this section fails to comply with the provisions of this section, the property tax credit under this section is forfeited immediately.

(i) This section does not change regular assessment procedures.

§9–208.

(a) In this section, "open space" or "open area" means:

(1) real property, exclusive of any improvement, determined to be an "open space" or "open area" as defined in § 5-1201 of the Natural Resources Article;

(2) real property that is determined by law of the Mayor and City Council of Baltimore City or the governing body of the county where the real property is located to be an "open space" or an "open area" on the recommendation of:

(i) the Maryland-National Capital Park and Planning Commission; or

(ii) the Department of Natural Resources; and

(3) real property subject to an easement of interest in the property that:

(i) except as provided in subsection (i) of this section, limits the use of the property in a manner to preserve in perpetuity the natural open character of the property; and

(ii) is permanently conveyed or assigned to:

1. the federal, the State, or local government; or

2. the Maryland-National Capital Park and Planning Commission.

(b) Except as provided in subsections (c) and (d) of this section, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit not exceeding 75% of the county, municipal corporation, or special district property tax imposed on any category of "open space" or "open area".

(c) A property tax credit not exceeding 100% of the county, municipal corporation, or special district property tax imposed on real property by the governing body of a county or of a municipal corporation on any category of "open space" or "open area" may be granted in:

(1) Anne Arundel County.

(2) Calvert County.

(3) Charles County.

(4) Frederick County.

(5) Harford County.

(6) Howard County.

(7) Montgomery County.

(8) Prince George's County.

(9) St. Mary's County.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant a property tax credit not exceeding 100% of the county, municipal corporation, or special district property tax imposed on an "open space" or "open area" if:

(1) the owner of the "open space" or "open area" agrees to sell or convey the "open space" or "open area" in an option agreement to:

(i) the federal, the State, or local government; or

(ii) the Maryland-National Capital Park and Planning Commission; and

(2) the option agreement:

(i) provides that the conveyance is in fee simple;

(ii) provides that the conveyance is made within a fixed period not exceeding 20 years;

(iii) provides that the price of the conveyance does not exceed the fair market value of the real property when the option is executed; and

(iv) contains provisions as the grantee deems necessary to preserve the real property as an "open space" or "open area".

(e) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) any procedural or enforcement provision necessary to carry out this section; and

(2) any condition that is uniformly applied in the granting of a property tax credit under this section.

(f) (1) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may designate a functional or geographical category of "open space" or "open area" on which a property tax credit under this section may be granted.

(2) A functional category may include:

(i) a country club;

(ii) a woodland;

(iii) a commercial golf course; and

(iv) a golf driving range.

(3) A geographical category may include:

(i) a river basin real property;

(ii) a conservation area; and

(iii) a stream valley.

(4) Any property tax credit granted and any standard used in granting a property tax credit shall be applied uniformly to all real property in each category.

(g) Valuation and assessment of "open space" or "open area" shall be made in the same manner as any other real property in the county or municipal corporation.

(h) (1) In Montgomery County and Prince George's County, an easement or interest conveyed under this section may be in perpetuity or for a period of not less than 5 years.

(2) An easement or interest previously conveyed may be extended for any period of time.

(i) A property tax credit granted under this section is effective as long as the federal, the State, or local government or the Maryland-National Capital Park and Planning Commission holds the easement or interest.

§9–209.

(a) As provided in subsection (c) of this section, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on the operating property of a railroad company that is subject to assessment under § 8-108 of this article.

(b) The property tax credit under this section shall be 100% of the county or municipal corporation property tax against the property described in subsection (a) of this section.

(c) (1) A property tax credit may be granted for any fiscal year that the railroad company provides freight service in the county or municipal corporation under a contract between the railroad company or its trustees and:

(i) the county or municipal corporation;

(ii) an industrial development corporation; or

(iii) a private shippers' association.

(2) Under a formula that reduces the obligation because of the property tax credit provided under this section, a contract under paragraph (1) of this subsection shall include a provision that obligates the county or municipal

corporation, the industrial development corporation, or the private shippers' association:

(i) to supplement the revenues of the railroad company; or

(ii) to contribute to the restoration or maintenance of the operating property.

(3) A property tax credit granted under this section may be effective for the 3 fiscal years immediately before the fiscal year for which the tax credit is sought.

(4) In Frederick County a property tax credit granted under this section shall continue from year to year until the property is conveyed.

(d) The Mayor and City Council of Baltimore City or the appropriate governing body may adopt regulations necessary to carry out this section.

(e) The Mayor and City Council of Baltimore City or each governing body shall designate the administrative unit or official to administer the property tax credit granted under this section.

(f) When a tax bill is sent to a taxpayer who is entitled to a property tax credit under this section, the Mayor and City Council of Baltimore City or the appropriate governing body shall give notice of the property tax credit under this section to the taxpayer.

(g) (1) Except in Frederick County, if a taxpayer fails to apply for a property tax credit under this section on or before October 1 of each taxable year, the property tax credit may not be granted.

(2) In Frederick County, a taxpayer may apply for a property tax credit under this section on or before October 1 of the taxable year.

(3) A taxpayer shall state under oath that the facts in the application are true.

§9–210.

(a) (1) In this section the following words have the meanings indicated.

(2) "Cohabitant" means an individual who for a period of at least 180 days in the year before the death of a fallen law enforcement officer or rescue worker:

(i) had a relationship of mutual interdependence with the fallen law enforcement officer or rescue worker; and

(ii) resided with the fallen law enforcement officer or rescue worker in the dwelling.

(3) "Disabled law enforcement officer or rescue worker" means an individual who:

(i) is a law enforcement officer or rescue worker, as those terms are defined, by law, by the county or municipal corporation as required under subsection (c) of this section;

(ii) has been found to be permanently and totally disabled by an administrative body or court of competent jurisdiction authorized to make such a determination; and

(iii) became disabled:

1. as a result of or in the course of employment as a law enforcement officer or a correctional officer; or

2. while in the active service of a fire, rescue, or emergency medical service, unless the disability was the result of the individual's own willful misconduct or abuse of alcohol or drugs.

(4) (i) "Dwelling" means real property that:

1. is the legal residence of a disabled law enforcement officer or rescue worker, a surviving spouse, or a cohabitant; and

2. is occupied by not more than two families.

(ii) "Dwelling" includes the lot or curtilage and structures necessary to use the real property as a residence.

(5) "Fallen law enforcement officer or rescue worker" means an individual who dies:

(i) as a result of or in the course of employment as a law enforcement officer or a correctional officer; or

(ii) while in the active service of a fire, rescue, or emergency medical service, unless the death was the result of the individual's own willful misconduct or abuse of alcohol or drugs.

(6) "Surviving spouse" means a surviving spouse, who has not remarried, of a fallen law enforcement officer or rescue worker.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling that is owned by a disabled law enforcement officer or rescue worker, a surviving spouse of a fallen law enforcement officer or rescue worker, or a cohabitant:

(1) if the dwelling was owned by the disabled law enforcement officer or rescue worker at the time the law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the fallen law enforcement officer or rescue worker at the time of the fallen law enforcement officer's or rescue worker's death;

(2) if the disabled law enforcement officer or rescue worker was domiciled in the State as of, or any time within the 5 years before, the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or the fallen law enforcement officer or rescue worker, the surviving spouse, or the cohabitant was domiciled in the State as of, or any time within the 5 years before, the date of the fallen law enforcement officer's or rescue worker's death and the dwelling was acquired by the disabled law enforcement officer or rescue worker within 10 years of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the surviving spouse or cohabitant within 10 years of the fallen law enforcement officer's or rescue worker's death;

(3) if the dwelling was owned by the surviving spouse or cohabitant at the time of the fallen law enforcement officer's or rescue worker's death; or

(4) if the dwelling was acquired after the disabled law enforcement officer or rescue worker, the surviving spouse, or the cohabitant qualified for a credit for a former dwelling under item (1), (2), or (3) of this subsection, to the extent of the previous credit.

(c) A county or municipal corporation:

(1) shall define, by law, who is a law enforcement officer or rescue worker; and

(2) may provide, by law, for:

(i) the amount and duration of a property tax credit allowed under this section;

(ii) any additional limitation to the number of years the dwelling was acquired within the date of an adjudication of disability or death; and

(iii) any other provision necessary to carry out the provisions of this section.

§9–211.

The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on residential real property that the Mayor and City Council of Baltimore City or the appropriate governing body determines has suffered damage caused by a natural disaster.

§9–212.

The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on real property that is used solely as a tobacco barn.

§9–213.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on that portion of real property, including any improvement, that is substantially completed after July 1, 1987, if that portion of the improved property contains an area set aside and dedicated exclusively for a day care center that is:

(1) registered as a family child care home under Title 9.5, Subtitle 3 of the Education Article;

(2) licensed as a child care center under Title 9.5, Subtitle 4 of the Education Article;

(3) licensed as a day care center for the elderly under Title 14, Subtitle 2 of the Health – General Article; or

(4) licensed as a day care center for adults under Title 14, Subtitle 3 of the Health – General Article.

(b) The amount of the annual credit may not exceed $3,000 or the amount of county or municipal corporation property tax attributable to that portion of property for which the credit was granted, whichever is less.

(c) Except as provided in subsection (b) of this section, a county or municipal corporation may provide, by law, for:

(1) the amount of the property tax credit under this section;

(2) the duration of a property tax credit under this section; and

(3) any other provision necessary to carry out this section.

(d) A credit under this section may not be granted if the real property qualifies for a credit under § 9–214 of this subtitle.

§9–214.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on that portion of the real property on which an improvement is substantially completed after July 1, 1988 if:

(1) the property is owned by a business having at least 25 employees; and

(2) the improvement contains an area set aside and dedicated exclusively for a child care center that is:

(i) registered as a family child care home under Title 9.5, Subtitle 3 of the Education Article; or

(ii) licensed as a child care center under Title 9.5, Subtitle 4 of the Education Article.

(b) The governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under subsection (a) of this section; and

(2) any other provision necessary to carry out the property tax credit under subsection (a) of this section.

§9–215.

(a) The Mayor and City Council of Baltimore City or the governing body of a county may grant, by law, a local supplement to the Homeowners Property Tax Credit Program provided under § 9–104 of this title.

(b) The county or Baltimore City may not obtain reimbursement under § 9–104(s) of this title for the amount of the local supplement authorized under this section.

(c) The county shall notify the Department of the enactment of the local supplement and any change in the local supplement in accordance with any guidelines specified by the Department.

(d) (1) The Department is responsible for the administrative duties that relate to the application and determination of eligibility for a property tax credit under this section.

(2) The county shall reimburse the Department for the reasonable cost of administering the Tax Credit Program under this section.

(e) (1) Except as provided in paragraph (2) of this subsection, the local supplement authorized in accordance with subsection (a) of this section shall be subject to the provisions of the State Homeowners Property Tax Credit Program provided under § 9–104 of this title.

(2) The Mayor and City Council of Baltimore City or the governing body of a county:

(i) may alter, by law, the following provisions for purposes of a local supplement granted under this section:

1. the limitation on the assessed value of a dwelling taken into account in determining total real property tax under § 9–104(a)(13) of this title;

2. the percentages and combined income levels specified under § 9–104(g) of this title; and

3. the limitation on combined net worth or combined gross income of the homeowner under § 9–104(j) of this title; and

(ii) may provide, by law, for limitations on eligibility for a local supplement granted under this section in addition to the requirements for eligibility under § 9–104 of this title.

(3) The additional eligibility criteria provided under paragraph (2)(ii) of this subsection may include:

(i) criteria limiting eligibility for a local supplement granted under this section to homeowners:

1. who have reached a certain age;

2. who have resided in their dwellings for more than a certain number of years; or

3. whose assessments have increased more than a certain percentage over a certain period of time;

(ii) any combination of the criteria specified in item (i) of this paragraph; and

(iii) any additional criteria for eligibility that the Mayor and City Council of Baltimore City or the governing body of a county determine to be necessary or appropriate.

§9–215.1.

(a) The governing body of a municipal corporation may grant, by law, a local supplement to the Homeowners Property Tax Credit Program provided under § 9–104 of this title.

(b) The municipal corporation may not obtain reimbursement under § 9–104(s) of this title for the amount of the local supplement authorized under this section.

(c) The municipal corporation shall notify the Department of the enactment of the local supplement and any change in the local supplement in accordance with any guidelines specified by the Department.

(d) The municipal corporation is responsible for the administrative duties that relate to the application, determination of eligibility, and payment of a property tax credit under this section.

(e) The amount of the local supplement authorized in accordance with subsection (a) of this section shall not exceed the net property tax liability due after providing for any State property tax credit authorized under § 9–104 of this title and any local supplement to the homeowners property tax credit authorized under § 9–215 of this subtitle.

(f) (1) Except as provided in paragraph (2) of this subsection, the local supplement authorized in accordance with subsection (a) of this section shall be subject to the provisions of the State Homeowners Property Tax Credit Program provided under § 9–104 of this title.

(2) The governing body of a municipal corporation:

(i) may alter, by law, the following provisions for purposes of a local supplement granted under this section:

1. the limitation on the assessed value of a dwelling taken into account in determining total real property tax under § 9–104(a)(13) of this title;

2. the percentages and combined income levels specified under § 9–104(h) of this title; and

3. the limitation on combined net worth or combined gross income of the homeowner under § 9–104(j) of this title; and

(ii) may provide, by law, for limitations on eligibility for a local supplement granted under this section in addition to the requirements for eligibility under § 9–104 of this title.

(3) The additional eligibility criteria provided under paragraph (2)(ii) of this subsection may include:

(i) criteria limiting eligibility for a local supplement granted under this section to homeowners:

1. who have reached a certain age;

2. who have resided in their dwelling for more than a certain number of years; or

3. whose assessments have increased more than a certain percentage over a certain period of time;

(ii) any combination of the criteria specified in item (i) of this paragraph; and

(iii) any additional criteria for eligibility that the governing body of a municipal corporation determines to be necessary or appropriate.

§9–216.

(a) The governing body of a county or municipal corporation may grant a property tax credit under this section against the applicable county or municipal corporation property tax imposed on owner–occupied residential real property situated entirely or in part within the 65 LDN noise contour as established by the airport noise zone surrounding Baltimore–Washington International Thurgood Marshall Airport that has been most recently adopted by the Maryland Aviation Administration as of the first day of the taxable year.

(b) The governing body of a county or of a municipal corporation may choose to provide the tax credit under subsection (a) of this section only within a smaller noise contour than the 65 LDN noise contour.

(c) The governing body of a county or of a municipal corporation may provide, by law, for:

(1) subject to subsection (d) of this section, the amount and duration of the property tax credit under subsection (a) of this section; and

(2) any other provision necessary to carry out the property tax credit under subsection (a) of this section.

(d) If the governing body of a county or of a municipal corporation provides the tax credit under subsection (a) of this section to property located outside the 75 LDN noise contour, the governing body of the county or municipal corporation may vary the amount of the credit based on where the property is situated within the airport noise zone.

§9–217.

(a) In this section:

(1) "nonstructural shoreline stabilization measure" means an erosion control measure that:

(i) is dominated by tidal wetland vegetation; and

(ii) is designed to preserve the natural shoreline, minimize erosion, and establish aquatic habitat; and

(2) "nonstructural shoreline stabilization measure" includes marsh or other tidal wetland creation or a living shoreline.

(b) (1) Subject to paragraph (2) of this subsection, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on real property on which erosion control structures or devices have been installed or for which erosion control procedures have been implemented that halt or retard erosion of shorelines and deposit of eroded sediments in the waters of the State, including:

(i) erection or placement of bulkheads, groins, or other erosion control devices;

(ii) measures required to stabilize waterside, shorelines, and banks; and

(iii) measures required to change drainage patterns.

(2) Except as provided in paragraph (3) of this subsection, to qualify for the tax credit under this section, the erosion control structures, devices, and procedures specified under paragraph (1) of this subsection shall, with respect to erosion control structures, devices, and procedures implemented after June 30, 2017:

(i) meet the standards of a nonstructural shoreline stabilization measure; or

(ii) meet the standards of a structural shoreline stabilization measure if:

1. the erosion control structure or device is located in an area designated by the Maryland Department of the Environment mapping as appropriate for structural shoreline stabilization measures and not suitable for a living shoreline; and

2. the Maryland Department of the Environment has granted the taxpayer a waiver from the construction of a nonstructural shoreline stabilization measure.

(3) The standards specified in paragraph (2) of this subsection do not apply to the implementation of a measure required to change drainage patterns.

(c) A county or municipal corporation may provide, by law, for:

(1) the amount of a property tax credit under this section;

(2) the duration of a property tax credit under this section;

(3) subject to subsection (a) of this section, the definition of erosion control structures, devices, and procedures qualifying for the credit; and

(4) any other provision necessary to carry out this section.

§9–219.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on rental dwellings of owners who provide reduced rents for any tenant who:

(1) is at least 65 years old;

(2) has been found permanently and totally disabled and has qualified for benefits under:

(i) the Social Security Act;

(ii) the Railroad Retirement Act;

(iii) any federal act for members of the United States armed forces; or

(iv) any federal retirement system; or

(3) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health.

(b) The county or municipal corporation may provide, by law, for:

(1) the specific requirements for eligibility for a tax credit authorized under this section;

(2) additional limitations on eligibility for the credit;

(3) the amount and duration of the credit; and

(4) any other provision appropriate to implement the credit.

§9–220.

(a) (1) In this section the following words have the meanings indicated.

(2) "Conservation land" means real property that is:

(i) subject to a perpetual conservation easement donated to a land trust, the Department of Natural Resources, or the Maryland Environmental Trust on or after July 1, 1991;

(ii) 1. acquired by a land trust on or after July 1, 1991; and

2. owned in fee by that land trust;

(iii) owned by the Potomac Conservancy; or

(iv) owned by the Western Shore Conservancy.

(3) "Land trust" means a qualified conservation organization as defined in § 3-2A-01 of the Natural Resources Article.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on conservation land or property owned by a land trust that qualifies under subsection (d) of this section, that is used:

(1) to assist in the preservation of a natural area;

(2) for the environmental education of the public;

(3) generally to promote conservation;

(4) for the maintenance of:

(i) a natural area for public use; or

(ii) a sanctuary for wildlife; or

(5) to conserve agricultural land and to promote continued agricultural use of the land.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under this section; and

(2) any other provision necessary to carry out the property tax credit under this section.

(d) To qualify for a property tax credit under this section, a land trust shall:

(1) be certified by the Maryland Environmental Trust to be a land trust in good standing and to have a cooperative agreement in effect; and

(2) obtain a written certification every 5 years beginning July 1, 1998, or as scheduled by the Maryland Environmental Trust.

§9–221.

(a) The Mayor and City Council of Baltimore or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on real property in order to offset in whole or in part increases in the county or municipal corporation income tax revenues resulting from a county income tax rate in excess of 2.6%.

(b) The credit granted under this section is available only to the owner–occupied property of a homeowner as defined in § 9–105 of this title if the homeowner has an application for the homestead property tax credit under § 9–105 of this title on file with the Department.

(c) The Mayor and City Council of Baltimore or the governing body of a county or municipal corporation may provide by law for:

(1) the amount of a property tax credit under this section; and

(2) any other provisions necessary to carry out this section.

§9–222.

(a) The governing body of a county or of a municipal corporation may grant a tax credit against the property tax imposed on real property, up to the amount of property taxes levied by that county or municipal corporation:

(1) for that portion of the property that is leased, occupied, and used by a religious group or organization exclusively for:

(i) public religious worship;

(ii) educational purposes; or

(iii) office space necessary to support or maintain public religious worship or educational purposes; and

(2) for which the religious group or organization is contractually liable.

(b) The credit under this section does not apply:

(1) to property that is leased, occupied, or used for the purpose of making a profit; or

(2) when the religious group or organization no longer occupies the property.

(c) The lessor of property eligible for a tax credit under this section shall reduce by the amount of the tax credit the amount of taxes for which the religious group or organization is contractually liable under the lease agreement.

§9–224.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on real property on which there is located a sediment control pond or stormwater management structure that has been:

(1) required by law to be built and maintained on the property; and

(2) built and maintained in compliance with the applicable law.

(b) A county or municipal corporation may provide, by law, for:

(1) the amount of a property tax credit under this section;

(2) the duration of a property tax credit under this section;

(3) subject to subsection (a) of this section, the definition of a sediment control pond or stormwater management structure qualifying for the credit; and

(4) any other provision necessary to carry out this section.

§9–225.

(a) The governing body of a county or a municipal corporation may grant a tax credit against the property tax imposed on real property, up to the amount of property taxes levied by that county or municipal corporation:

(1) for that portion of the property that is leased, occupied, and used by a municipal corporation; and

(2) for which the municipal corporation is contractually liable under the lease.

(b) The credit under this section does not apply when the municipal corporation leasing the property subleases the property, uses it for any profit making purpose, or no longer occupies the property.

(c) The lessor of property eligible for a tax credit under this section shall reduce by the amount of the tax credit the amount of taxes for which the municipal corporation is contractually liable under the lease agreement.

§9–226.

(a) The governing body of a county may grant, by law, a property tax credit against the county property tax imposed on real property that is used for agricultural purposes and is subject to a current soil conservation and water quality plan approved by the county soil conservation district and, if eligible, that is subject to a nutrient management plan under Title 8, Subtitle 8 of the Agriculture Article.

(b) (1) This subsection governs the implementation of the property tax credit granted under subsection (a) of this section.

(2) (i) The governing body of a county may adopt procedures to determine the amount of and the conditions of eligibility and method of application for the property tax credit.

(ii) The property tax credit for a property may not exceed 50% of the real property tax assessed on that property.

(iii) The credit may be granted only for a property that is subject to a current soil conservation and water quality plan executed by the property owner and the county soil conservation district and, if eligible, that is subject to a nutrient management plan under Title 8, Subtitle 8 of the Agriculture Article.

(iv) The credit may be granted only if the soil conservation and water quality plan under subparagraph (iii) of this paragraph is certified by the county soil conservation district as being implemented as scheduled by and in accordance with the plan.

(3) The soil conservation and water quality plan shall set forth the practices to eliminate or reduce nonpoint source pollution from agricultural runoff on the property.

(4) (i) A property owner who has been granted a property tax credit under this section, and who subsequently violates the soil conservation and water quality plan or nutrient management plan in effect on a property, shall be liable for a penalty of twice the amount of all property taxes that the owner would have been liable for on the property if a property tax credit had not been granted under this section, calculated from the date of notice of the violation from the county.

(ii) A property owner may not be liable under subparagraph (i) of this paragraph for a soil conservation and water quality plan violation that is remedied and approved by the county soil conservation district within 1 year after the date of the notice of the violation from the county.

(iii) A property owner may not be liable under subparagraph (i) of this paragraph for a nutrient management plan violation that is remedied and approved by the Maryland Department of Agriculture or a certified nutrient management consultant within 1 year after that date of notice of violation.

§9–227.

(a) (1) Except as provided in paragraph (2) of this subsection, the governing body of a county or municipal corporation may grant, by law, a property tax credit for up to 100% of the county or municipal property tax imposed on business personal property that is computer software.

(2) A credit against the county or municipal property tax may not be granted for personal property already exempt from taxation under § 7-238(b) of this article.

(b) The governing body of a county or municipal corporation may adopt procedures to determine the amount and the conditions of eligibility and method of application of the property tax credit.

§9–228.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on a commercial or residential building located in an eligible area to which qualifying renovations have been made to meet state-of-the-art communications and utility standards for accommodating advanced computer and telecommunications systems, including fiber-optic cable, emergency electrical capacity, and emergency backup power.

(b) For any taxable year, the amount of a property tax credit granted under this section may not exceed the lesser of:

(1) 10% of the cost of renovations to a commercial or residential building to meet state-of-the-art communication and utility standards for accommodating advanced computer and telecommunications equipment, including fiber-optic cable, emergency electrical capacity, and emergency backup power; or

(2) the county or municipal corporation property tax otherwise due for that taxable year.

(c) A tax credit granted under this section may not be granted for more than 10 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may designate an area within the county or municipal corporation as an area eligible for the tax credit under this section if the area is eligible for designation as a sustainable community under the Neighborhood Business Development Program created under Title 6, Subtitle 3 of the Housing and Community Development Article.

(e) A property tax credit may be granted under this section if a designee of the county or municipal corporation:

(1) before construction commences, reviews and approves the plans for the renovations as meeting industry standards published by the Electrical Industry Association and Telecommunications Industry Association (EIA/TIA Building Standard 568); and

(2) during construction and on completion of construction, reviews and approves the implementation of the renovations as conforming with the approved plans.

(f) The Mayor and City Council of Baltimore or the governing body of a county or municipal corporation may establish:

(1) additional limitations on the amount or duration of credits under this section;

(2) additional standards for eligibility for the credit; or

(3) procedures or requirements for the review and approval of credits.

§9–229.

(a) (1) In this section the following words have the meanings indicated.

(2) "Opportunity zone" means an area that has been designated as a qualified opportunity zone in the State under § 1400Z–1 of the Internal Revenue Code.

(3) "Property tax attributable to an increase in an assessment" means the additional property tax required to be paid as a result of the increase in the assessment, calculated before the application of the credit under this section but after the application of any other credit allowed under this title.

(4) "Qualified brownfields site" has the meaning stated in § 5–301 of the Economic Development Article.

(5) "Taxing jurisdiction" means:

(i) a county or Baltimore City; or

(ii) a municipal corporation.

(b) (1) (i) A taxing jurisdiction may elect to participate in the Brownfields Revitalization Incentive Program under Title 5, Subtitle 3 of the

Economic Development Article through the enactment of legislation that grants property tax credits in accordance with the requirements of this section.

(ii) If a taxing jurisdiction elects to participate in the Program in accordance with this section, the taxing jurisdiction shall notify the Department of Commerce.

(2) If a taxing jurisdiction elects to participate in the Brownfields Revitalization Incentive Program in accordance with this section, the property tax credits under this section shall also apply to the State property tax in that jurisdiction in the same percentage and for the same duration as provided for the property tax of the taxing jurisdiction.

(c) For each of the 5 taxable years immediately following the first revaluation of the property after completion of a voluntary cleanup or corrective action plan of a brownfields site, each participating taxing jurisdiction where a qualified brownfields site is located shall:

(1) grant a property tax credit against the property tax imposed on the qualified brownfields site in an amount equal to 50% of the property tax attributable to the increase in the assessment of the qualified brownfields site, including improvements added to the site within the 5–year period as provided under this subsection, over the assessment of the qualified brownfields site before the voluntary cleanup; and

(2) contribute to the Maryland Economic Development Assistance Fund under § 5–313(8) of the Economic Development Article, 30% of the property tax attributable to the increase in the assessment of the brownfields site, including improvements added to the site within the 5–year period as provided under this subsection, over the assessment of the qualified brownfields site before the voluntary cleanup.

(d) (1) A taxing jurisdiction may grant a property tax credit against the property tax imposed on a qualified brownfields site in addition to the credit granted under subsection (c) of this section.

(2) Subject to the limitation in paragraph (3) of this subsection, a taxing jurisdiction may:

(i) vary the percentage of the additional property tax credit granted under this subsection; and

(ii) establish additional eligibility criteria for any additional property tax credit granted.

(3) The total additional property tax credit granted under this subsection may not exceed an additional 20% of the remaining property tax attributable to the increase in the assessment of the qualified brownfields site including improvements added to the site over the assessment of the qualified brownfields site before the voluntary cleanup.

(e) (1) A credit under this section may not be calculated on an increase in assessment due to the termination of a use value under §§ 8–209 through 8–217 or §§ 8–220 through 8–225 of this article.

(2) If the qualified brownfields site on which the voluntary cleanup is completed had a use value immediately before the cleanup, the credit shall be calculated on an assessment as if the parcel had been valued at market value.

(f) In a designated enterprise zone or opportunity zone, a taxing jurisdiction may extend the tax credit authorized under this section up to an additional 5 years.

(g) A taxing jurisdiction's contribution for each qualified brownfields site to the Maryland Economic Development Assistance Fund under subsection (c)(2) of this section shall be used only for brownfields sites in the taxing jurisdictions that have enacted a brownfields property tax credit ordinance.

(h) A taxing jurisdiction shall terminate any property tax credit under this section if:

(1) a person receiving a credit under this section withdraws from the Voluntary Cleanup Program under § 7–512(a) or (b) of the Environment Article; or

(2) the Department of the Environment withdraws approval of a response action plan, or a certificate of completion under § 7–512(e) and (f) of the Environment Article.

§9–230.

(a) (1) In this section the following words have the meanings indicated.

(2) "Affiliate" means a person:

(i) that directly or indirectly owns at least 80% of a business entity; or

(ii) 80% of which is owned, directly or indirectly, by a business entity.

(3) "Business entity" means a person conducting a trade or business in the State, that is subject to the State individual or corporate income tax, insurance premiums tax, financial institution franchise tax, or public service company franchise tax.

(4) "Full–time position" means a position requiring at least 840 hours of an individual's time during at least 24 weeks in a 6–month period.

(5) "New or expanded premises" means real property, including a building or part of a building that has not been previously occupied, where a business entity or its affiliates locate to conduct business.

(6) (i) "New permanent full–time position" means a position that is:

1. A. a full–time position of indefinite duration; or

B. in Montgomery County and Washington County, a full–time position of indefinite duration or a contract position of definite duration lasting at least 12 months with an unlimited renewal option;

2. located in Maryland;

3. newly created, as a result of the establishment or expansion of a business facility in the State; and

4. filled.

(ii) "New permanent full–time position" does not include a position that is:

1. created when an employment function is shifted from an existing business facility of the business entity or its affiliates located in Maryland to another business facility of the same business entity or its affiliates, if the position does not represent a net new job in the State;

2. created through a change in ownership of a trade or business;

3. created through a consolidation, merger, or restructuring of a business entity or its affiliates, if the position does not represent a net new job in the State;

4. created when an employment function is contractually shifted from an existing business entity or its affiliates, located in the State to another business entity or its affiliates, if the position does not represent a net new job in the State; or

5. filled for a period of less than 12 months.

(7) "Notification date" means the date on which the business entity provides written notice to the county or municipal corporation as required under subsection (b)(6) of this section.

(b) (1) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may enact legislation necessary to grant either property tax credits, enhanced property tax credits, or both types of property tax credits against the county or municipal corporation property tax imposed on real property owned or leased by business entities that meet the requirements specified for the applicable tax credit under this section and on personal property owned by business entities that meet the requirements specified under this section.

(2) (i) If a property tax credit is granted under paragraph (1) of this subsection, a business entity that meets the requirements for the property tax credit under this section and obtains certification from the county or municipal corporation may claim a State tax credit against the individual or corporate income tax, insurance premiums tax, or financial institution franchise tax as provided under subsection (c)(3) of this section.

(ii) If an enhanced property tax credit is granted under this section and a business entity and its affiliates meet the requirements for the enhanced property tax credit and obtain certification from the county or municipal corporation, the business entity or any of its affiliates may claim a State tax credit against the individual or corporate income tax, insurance premiums tax, or financial institution franchise tax as provided under subsection (d)(5) of this section.

(3) A tax credit may not be granted under this section if:

(i) the business entity or any of its affiliates have moved their operations from one county in the State to the new or expanded premises in another; or

(ii) the new or expanded premises has otherwise been granted a tax credit or exemption under this article for the taxable year.

(4) To qualify for a tax credit under this section, the new or expanded premises must be located in:

(i) a priority funding area as designated in Title 5, Subtitle 7B of the State Finance and Procurement Article; or

(ii) a qualified opportunity zone designated under § 1400Z–1 of the Internal Revenue Code in Allegany County, Garrett County, Somerset County, or Wicomico County.

(5) To qualify for a property tax credit under this section against property tax imposed on personal property a business entity shall certify that the personal property is located on the premises that qualify for a property tax credit or enhanced property tax credit under this section.

(6) To qualify for a tax credit under this section, before it obtains the new or expanded premises or hires employees to fill the new permanent full–time positions at the new or expanded premises, a business entity shall provide written notification to the county or municipal corporation in which the new or expanded premises are located:

(i) that it intends to claim the property tax credit or enhanced property tax credit;

(ii) if it intends to claim the enhanced property tax credit, how it expects to meet the requirements to qualify for the enhanced property tax credit; and

(iii) when it expects to obtain the new or expanded premises and hire the required number of employees in the new permanent full–time positions.

(7) If a business entity meets the requirements for a tax credit under this section, the county or municipal corporation shall certify to the Department and the Department of Commerce that the business entity has met the requirements for the tax credit for the taxable year that follows the date on which it met the requirements.

(c) (1) To qualify for a property tax credit under this subsection, a business entity shall:

(i) obtain at least 5,000 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing newly constructed premises; and

(ii) 1. except as provided in item 2 of this subparagraph, employ at least 25 individuals in new permanent full–time positions during a 24–month period, during which period the business entity must also obtain and occupy the new or expanded premises; or

2. in a county with a population under 30,000, employ at least 10 individuals in new permanent full–time positions during a 24–month period, during which period the business entity must also obtain and occupy the new or expanded premises.

(2) If a business entity meets the requirements of paragraph (1) of this subsection and subsection (b) of this section and of applicable local law adopted under subsection (b)(1) of this section, the county or municipal corporation shall compute the amount of the property tax credit granted under this subsection for new or expanded premises and the personal property located on those premises that may be claimed against the county or municipal corporation property taxes that would otherwise be due to equal a percentage of the amount of property tax imposed on the assessment of the new or expanded premises, as follows:

(i) 52% for the 1st and 2nd taxable years;

(ii) 39% in the 3rd and 4th taxable years;

(iii) 26% in the 5th and 6th taxable years; and

(iv) 0% for each taxable year thereafter.

(3) On receipt of notification under subsection (b)(7) of this section that a business entity has been certified for a property tax credit under this subsection, the Department shall compute and certify to the Comptroller or, in the case of the insurance premiums tax, the Maryland Insurance Commissioner the amount of the State tax credit authorized under this subsection that may be claimed against the individual or corporate income tax, insurance premiums tax, or financial institution franchise tax that would otherwise be due to equal a percentage of the amount of property tax imposed on the assessment of the new or expanded premises, as follows:

(i) 28% in the 1st and 2nd taxable years;

(ii) 21% in the 3rd and 4th taxable years;

(iii) 14% in the 5th and 6th taxable years; and

(iv) 0% for each taxable year thereafter.

(d) (1) For a business entity to qualify for an enhanced property tax credit under this subsection, the business entity, along with its affiliates, shall:

(i) 1. obtain at least 250,000 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing newly constructed premises;

2. continue to employ at least 2,500 individuals in existing permanent full–time positions paying at least 150% of the federal minimum wage and located at premises in the State where the business entity, along with its affiliates, is primarily engaged in one or more of the industries listed in paragraph (2) of this subsection; and

3. employ at least 500 individuals in new permanent full–time positions paying at least 150% of the federal minimum wage and located in the new or expanded premises, and, if applicable, in newly renovated premises adjoining or otherwise neighboring the new or expanded premises;

(ii) 1. obtain at least 250,000 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing newly constructed premises; and

2. employ at least 1,250 individuals in new permanent full–time positions paying at least 150% of the federal minimum wage and located in the new or expanded premises and, if applicable, in newly renovated premises adjoining or otherwise neighboring the new or expanded premises; or

(iii) in Montgomery County only:

1. expend at least $150 million to obtain at least 700,000 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing newly constructed premises; and

2. employ a total of at least 1,100 individuals in full–time positions consisting of both full–time positions of indefinite duration and contract positions of definite duration lasting at least 12 months with an unlimited

renewal option, and including at least 500 individuals in new permanent full–time positions, with all positions:

A. receiving an employer provided subsidized health care benefits package;

B. paying at least 150% of the federal minimum wage; and

C. located in the new or expanded premises and, if applicable, in newly renovated premises adjoining or otherwise neighboring the new or expanded premises.

(2) For a business entity to qualify for an enhanced property tax credit under this subsection, the business entity, along with its affiliates, shall be primarily engaged in one or more of the following at the qualifying premises:

(i) manufacturing or mining;

(ii) transportation or communications;

(iii) agriculture, forestry, or fishing;

(iv) research, development, or testing;

(v) biotechnology;

(vi) computer programming, data processing, or other computer–related services;

(vii) central services as defined in § 6–101 of the Economic Development Article;

(viii) the operation of central administrative offices or a company headquarters as defined in § 6–101 of the Economic Development Article;

(ix) a public utility;

(x) warehousing; or

(xi) business services.

(3) To qualify for the enhanced property tax credit under this subsection, a business entity shall:

(i) within a 6–year period beginning on the notification date, employ individuals in the number of new permanent full–time positions required under paragraph (1) of this subsection;

(ii) during the 6–year hiring period, obtain and occupy the new or expanded premises and, if applicable, the newly renovated premises adjoining or otherwise neighboring the new or expanded premises; and

(iii) during the 6–year hiring period, comply with all other requirements for the credits described in this subsection and in any applicable local law.

(4) (i) If a business entity meets the requirements of this subsection and subsection (b) of this section and of applicable local law adopted under subsection (b)(1) of this section, for each of the first 24 taxable years after it qualifies for the credit, a property tax credit may be claimed against the county or municipal corporation property taxes that would otherwise be due.

(ii) The county or municipal corporation shall compute the amount of the property tax credit granted to equal 58.5% of the amount of property tax imposed on the increase in assessment of:

1. the new or expanded premises;

2. newly renovated real property improvements adjoining or otherwise neighboring the new or expanded premises, if the renovations are substantial, as defined in legislation enacted by the county or municipal corporation to grant the credits under this subsection; and

3. the personal property located on the premises described in items 1 and 2 of this subparagraph.

(iii) The increase in assessment shall be measured from the notification date to the applicable annual assessment date after the county or municipal corporation has certified that the business entity has qualified for the credit.

(5) On receipt of notification under subsection (b)(7) of this section that a business entity has been certified for an enhanced property tax credit under this subsection, the Department shall compute and certify to the Comptroller or, in the case of the insurance premiums tax, the Maryland Insurance Commissioner the amount of the State tax credit authorized under this subsection that may be claimed by the business entity or any of its affiliates against the individual or corporate

income tax, insurance premiums tax, or financial institution franchise tax that would otherwise be due to equal 31.5% of the amount of property tax imposed on the increase in assessment of the real and personal property described in paragraph (4)(ii) of this subsection for each of the first 24 taxable years for which the credit is allowed.

(6) If a business entity or any of its affiliates claim the enhanced tax credits under this subsection for a certain premises, they may not claim the tax credits under subsection (c) of this section.

(e) The same State tax credit cannot be applied more than once against different taxes by the same taxpayer.

(f) If the State tax credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the business entity for that taxable year, a business entity or its affiliates may apply the excess as a credit for succeeding taxable years until the earlier of:

(1) the full amount of the excess is used; or

(2) the expiration of the 5th taxable year after the taxable year in which the State tax credit is claimed.

(g) The Maryland Insurance Commissioner shall adopt regulations to provide for the computation, carryover, and recapture of the State tax credit under § 6–116 of the Insurance Article.

(h) The Department shall adopt regulations to provide for the computation, carryover, and recapture of the State tax credit under § 8–217 of the Tax – General Article.

(i) The Comptroller shall adopt regulations to provide for the computation, carryover, and recapture of the State tax credit under § 10–704.8 of the Tax – General Article.

(j) The lessor of real property eligible for property tax credits under this section shall reduce by the amount of the property tax credits computed under this section the amount of taxes for which the eligible business entity is contractually liable under the lease agreement.

(k) The governing body of the county or municipal corporation shall provide, by law, for:

(1) the specific requirements for eligibility for a tax credit authorized under this section;

(2) any additional limitations on eligibility for the credit;

(3) the information to be supplied by the business entity to a county or municipal corporation and the Comptroller to verify that the business entity is not subject to subsection (l) of this section; and

(4) any other provision appropriate to implement the credit.

(l) All credits claimed under this section for a taxable year shall be recaptured if, during the 3 taxable years succeeding the taxable year in which a credit was claimed:

(1) the employment level or square footage of a business entity at the premises falls below the applicable thresholds required to qualify for the property tax credit under subsection (c) of this section; or

(2) for the enhanced property tax credit, the employment level or square footage of a business entity, together with its affiliates, at the premises falls below the applicable thresholds required to qualify for the enhanced property tax credit under subsection (d) of this section.

(m) On October 1 of each year, each county and municipal corporation that has granted tax credits under this section shall report to the Department, the Department of Commerce, and the Comptroller:

(1) the amount of each credit granted for that year; and

(2) whether the business entity is in compliance with the requirements for the tax credit.

(n) (1) After a business entity has complied with all the requirements provided in this section and in any applicable local law for a particular tax credit, the business entity shall be entitled to claim the credits for the term provided in this section.

(2) No abrogation of this law or law hereinafter enacted that eliminates or reduces the tax credits available under this section shall apply to any business entity or affiliate of a business entity that qualified for the tax credits before the effective date of such law or abrogation.

§9–231.

(a) In this section, "foreign trade zone" means a foreign trade zone or subzone established under federal law.

(b) The governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal property tax imposed on personal property, other than operating personal property of a public utility, if the personal property is located in a foreign trade zone that is within that county or municipal corporation.

§9–232.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on improvements to real property if there is installed in the improvements a complete automatic fire protection sprinkler system, installed in accordance with accepted codes and standards established by the Maryland State Fire Prevention Commission.

(b) A county or municipal corporation may provide, by law, for:

(1) the amount of a property tax credit under this section;

(2) the duration of a property tax credit under this section;

(3) the criteria and qualifications necessary to receive the credit;

(4) the application of a property tax credit under this section to existing automatic fire protection sprinkler systems; and

(5) any other provision necessary to carry out this section.

§9–233.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on property owned by the Audubon Naturalist Society of the Central Atlantic States, Inc. that is used solely for:

(1) the environmental education of the public; or

(2) the maintenance of:

(i) a natural area for public use; or

(ii) a sanctuary for wildlife.

(b) If a taxing jurisdiction grants a property tax credit under this section, the credit shall also apply to the State property tax in that jurisdiction in the same percentage and for the same duration as provided for the property tax of the taxing jurisdiction.

§9–234.

(a) The governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property containing a vacant or underutilized commercial building that:

(1) was built primarily for office, industrial, or other commercial purposes;

(2) was last used for office, industrial, or other commercial purposes; and

(3) is renovated for use primarily as housing.

(b) The governing body of a county or municipal corporation may establish conditions for the granting of a property tax credit under paragraph (1) of this subsection, including:

(1) eligibility criteria;

(2) application procedures; and

(3) provisions for a payment in lieu of taxes to the county or municipal corporation by the recipient of the tax credit.

§9–235.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on athletic fields that are used exclusively for amateur sports.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section; and

(2) any other provision necessary to carry out the credit under this section.

§9–236.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is rehabilitated under regulations adopted by the governing body.

(b) (1) A property tax credit granted under this section may not extend beyond the first 10 years after the rehabilitation is completed.

(2) The amount of a tax credit granted under this section may not exceed the property tax increase attributable to the increase in the assessment of the real property over the assessment before the real property is rehabilitated.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may, by law:

(1) subject to the limitations under subsection (b) of this section, provide for the amount and duration of a property tax credit granted under this section;

(2) limit eligibility for the credit to real property used for specified purposes or to real property located in designated revitalization areas; or

(3) otherwise provide additional requirements for eligibility or additional limitations for a tax credit granted under this section.

§9–237.

The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on personal property that is used in practicing dentistry in a geographic area of the State that has been designated by the Secretary of Health as being underserved by dentists.

§9–238.

(a) In this section, "community association" means:

(1) a neighborhood organization that:

(i) is comprised of city blocks of at least 25 households or 25% of the households of a local neighborhood consisting of 40 or more individual households, whichever is less, as defined by specific geographic boundaries in the bylaws or charter of the association;

(ii) is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code;

(iii) requires as a condition of membership, the voluntary payment of monetary dues or membership fees at least annually; and

(iv) is organized and operated for one or more of the following purposes:

1. relief of neighborhood tensions;

2. prevention of community deterioration;

3. provision of relief to the poor, underprivileged, or distressed;

4. preservation of historic areas;

5. community revitalization; or

6. promotion of the common good and social welfare of the people of the community; or

(2) an umbrella organization that:

(i) consists of coalitions of several neighborhood organizations as described in paragraph (1) of this subsection; and

(ii) addresses issues that affect broad areas of the county or municipal corporation where the umbrella organization is located.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this subsection against the county or municipal corporation property tax imposed on personal property that is owned by a community association for a taxable year, if:

(1) the community association was in existence as of the first day of the taxable year for which the credit under this section is to be allowed;

(2) the community association is in good standing, if it is organized as a Maryland corporation; and

(3) the personal property is valued at $8,000 or less.

§9–239.

(a) (1) In this section the following words have the meanings indicated.

(2) "Existing electricity generation facility" means an electricity generation facility that:

(i) exists in a county before June 1, 2001; and

(ii) receives approval for a modification under § 7–205 of the Public Utilities Article.

(3) "Machinery and equipment of a new electricity generation facility" means machinery and equipment used in the generation of electricity at a new electricity generation facility.

(4) "Machinery and equipment of an existing electricity generation facility" means machinery and equipment used in the generation of electricity and added as part of an expansion of an existing electricity generation facility for the purpose of increasing electricity production at the existing electricity generation facility.

(5) "New electricity generation facility" means an electricity generation facility that:

(i) locates in a county on or after June 1, 2001; and

(ii) receives a certificate of public convenience and necessity under § 7–207 of the Public Utilities Article.

(b) Except as provided in subsection (c) of this section, to the extent that a county grants a personal property tax credit for the machinery and equipment of a new electricity generation facility or the machinery and equipment of an existing electricity generation facility, the machinery and equipment may not be treated as taxable personal property for the purpose of computing any payments of State aid to education under § 5–202 of the Education Article or other payments of State aid to counties or municipal corporations that by law are based on the assessment of property.

(c) Subsection (b) of this section does not apply to any personal property unless the county submits to the Department, on or before October 31 of the taxable year for which the tax credit for the property is granted, the information required under § 9–201(b) of this subtitle regarding the tax credit.

§9–240.

(a) In this section, "arts and entertainment district", "arts and entertainment enterprise", and "qualifying residing artist" have the meanings stated in § 4–701 of the Economic Development Article.

(b) The governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on a manufacturing, commercial, or industrial building that:

(1) is located in an arts and entertainment district; and

(2) is wholly or partially constructed or renovated to be capable for use by a qualifying residing artist or an arts and entertainment enterprise.

(c) A tax credit granted under this section may not be granted for more than 10 years.

§9–241.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on personal property, other than operating personal property of a public utility, of a business that provides computers to its employees for their use at home.

(b) A county or municipal corporation may provide, by law, for:

(1) the amount of a property tax credit under this section;

(2) the duration of a property tax credit under this section;

(3) the criteria and qualifications necessary to receive the credit; and

(4) any other provision necessary to carry out this section.

§9–242.

(a) (1) Subject to paragraph (2) of this subsection, in this section, "high performance building" means a building that:

(i) achieves at least a silver rating according to the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) green building rating system as adopted by the Maryland Green Building Council;

(ii) is a residential building that achieves at least a silver rating according to the International Code Council's 700 National Green Building Standards;

(iii) achieves at least a comparable rating according to any other appropriate rating system; or

(iv) meets comparable green building guidelines or standards approved by the State.

(2) For purposes of paragraph (1) of this subsection, under LEED Credit MR7 or a similar criterion in a comparable rating system, credit may be awarded for the use of wood–based materials derived from all credible sources, including the Sustainable Forestry Initiative Program, the Canadian Standards Association, the American Tree Farm System, and other credible certified sources programs.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on a high performance building.

(c) A county or municipal corporation may provide, by law, for:

(1) the amount of a property tax credit under this section;

(2) the duration of a property tax credit under this section;

(3) the criteria and qualifications necessary to receive the credit; and

(4) any other provision necessary to carry out this section.

§9–243.

(a) Subject to subsection (b) of this section, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may

grant a tax credit under this section against the county or municipal corporation property tax imposed on real property if:

(1) the homeowner is otherwise eligible for the credit allowed under § 9-105 of this title;

(2) (i) the dwelling is:

1. damaged or destroyed due to a natural disaster; and

2. subsequently repaired or reconstructed;

(ii) the dwelling is revalued after the dwelling is repaired or reconstructed; and

(iii) as a result of the revaluation, the assessment of the dwelling exceeds the last assessment of the dwelling; and

(3) the homeowner claiming the credit had a legal interest in the dwelling at the time the dwelling was damaged or destroyed as described under item (2) of this subsection.

(b) A homeowner may receive a tax credit under this section only if the homeowner qualified and received a tax credit under § 9-109 of this title and is no longer receiving a tax credit under § 9-109 of this title.

(c) The amount of the property tax credit allowed under this section shall equal 50% of the property tax attributable to an increase in the assessment of the dwelling on revaluation under § 8-104(c)(1)(iii) of this article, including improvements, over the last assessment of the dwelling before the natural disaster, less the amount of any assessment on which a property tax credit under § 9-105 of this title has been authorized.

(d) A credit under this section may not be granted for more than 3 years.

(e) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may:

(1) establish procedures or requirements for the application, review, and approval of tax credits under this section;

(2) establish additional eligibility criteria such as age, income level, or assessment value; and

(3) notify the Department of any credits that have been granted under this section.

(f) The credit under this section may not be claimed for a dwelling for which repair or reconstruction is completed before September 18, 2003.

§9–244.

(a) The governing body of a county or of a municipal corporation or the Mayor and City Council of Baltimore City may grant, by law, a tax credit against the county or municipal corporation property tax imposed on a nonprofit swim club that uses its facility exclusively to provide a recreational outlet for a local community.

(b) The governing body of a county or of a municipal corporation or the Mayor and City Council of Baltimore City may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the administration of requests for the tax credit under this section; and

(4) any other provision necessary to carry out the tax credit under this section.

§9–245.

(a) Except as provided in § 9–305 of this title, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on real property that is owned by and used as the principal residence of an individual who is at least 65 years old and of limited income.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out this section.

§9–246.

(a) (1) In this section the following words have the meanings indicated.

(2) "Acquired dwelling" means a dwelling:

(i) that was owned by a qualified displaced homeowner;

(ii) that by negotiation or condemnation was acquired from the qualified displaced homeowner for public use by the State or a political subdivision or instrumentality of the State, where the acquiring agency had the power to acquire the dwelling for public use by condemnation; and

(iii) for which the qualified displaced homeowner was eligible for a credit under § 9–105 of this title for the taxable year in which the dwelling was acquired for public use.

(3) "Acquisition year" means the taxable year in which an acquired dwelling was acquired for public use by the State or a political subdivision or instrumentality of the State.

(4) "Dwelling" has the meaning stated in § 9–105 of this title.

(5) "Qualified displaced homeowner" means a property owner who:

(i) qualified for a credit under § 9–105 of this title for an acquired dwelling for the acquisition year; and

(ii) did not receive compensation for increased property taxes resulting from the loss of the credit under § 9–105 of this title.

(6) "Replacement dwelling" means a dwelling that is purchased by a qualified displaced homeowner by the end of the taxable year following the acquisition year.

(7) "Taxable assessment" has the meaning stated in § 9–105 of this title.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit as provided in

this section against the county or municipal corporation property tax imposed on a replacement dwelling.

(c) (1) The property tax credit under this section may not exceed 100% of the county or municipal corporation property tax attributable to the eligible homestead assessment of the acquired dwelling, as determined under paragraphs (2) and (3) of this subsection.

(2) The county or municipal corporation property tax attributable to the eligible homestead assessment of the acquired dwelling is the product of multiplying the applicable county or municipal corporation tax rate for the current year times the eligible homestead assessment of the acquired dwelling, as determined under paragraph (3) of this subsection.

(3) For purposes of paragraph (2) of this subsection, and subject to paragraph (4) of this subsection, the eligible homestead assessment of the acquired dwelling is the amount by which the acquisition year assessment of the acquired dwelling exceeds the product of multiplying the prior year's taxable assessment of the acquired dwelling times:

(i) for purposes of the county or municipal corporation property tax where the replacement dwelling and the acquired dwelling are located in the same county or the same municipal corporation, the homestead credit percentage applicable to the county property tax or municipal corporation property tax for the acquisition year; and

(ii) for purposes of the county or municipal corporation property tax where the replacement dwelling and the acquired dwelling are not located in the same county or the same municipal corporation, 110%.

(4) The eligible homestead assessment determined under paragraph (3) of this subsection shall be reduced, but not below zero, by the amount, if any, by which the acquisition year assessment of the acquired dwelling exceeds the assessment of the replacement dwelling for the first taxable year for which the credit under this section is allowed.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out this section.

§9–247.

(a) In this section, "business incubator" means a program in which units of space are leased by multiple early–stage businesses that share physical common space, administrative services and equipment, business management training, mentoring, and technical support.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal property tax imposed on property that is used as a business incubator if the State, a county, a municipal corporation, an organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code, a public institution of higher education, or an agency or instrumentality of the State, a county, a municipal corporation, or a public institution of higher education:

(1) owns, controls, or leases the space that is used as a business incubator;

(2) provides at least 50% of the total funding received by the business incubator from all sources, not including rents received from incubator tenant firms; or

(3) is represented on the governance board that authorizes the annual budget of the business incubator.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out this section.

§9–248.

(a) In this section, "family assistance dwelling" means a house, and the lot or curtilage on which the house is erected, if the house:

(1) is not a vacation home;

(2) is not the residence of the homeowner but treated as used by the homeowner for personal purposes within the meaning of § 280A(d) of the Internal Revenue Code; and

(3) is the only residence of an individual who:

(i) is the brother, sister, half–brother, half–sister, spouse, parent, step–parent, grandparent, child, step–child, adopted child, or grandchild of the homeowner;

(ii) makes rental payments to the homeowner that are less than 90% of a fair rental price paid for a similar dwelling in the same area; and

(iii) is entitled to low income assistance benefits under a federal or State program.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on a family assistance dwelling.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

§9–249.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Commercial fish operation" means any activity for which a person is required to possess a tidal fish license under § 4–701 of the Natural Resources Article.

(ii) "Commercial fish operation" includes any activity for which a person is required to be licensed as a seafood dealer under § 4–701 of the Natural Resources Article.

(3) "Commercial fishing vessel" means a vessel that is:

(i) owned or leased by a person possessing a tidal fish license under § 4–701 of the Natural Resources Article; and

(ii) used in a commercial fish operation.

(4) "Commercial marina" means a marina that leases at least 20% of its slips to commercial fishing vessels.

(5) "Commercial marine repair facility" means a marine repair facility that derives at least 20% of its gross receipts from charges for the repair and maintenance of commercial fishing vessels.

(6) (i) "Commercial waterfront property" means real property that:

1. is adjacent to the tidal waters of the State;

2. is used primarily for a commercial fish operation or as a commercial marina or commercial marine repair facility; and

3. for the most recent 3–year period, has produced an average annual gross income of at least $1,000.

(ii) "Commercial waterfront property" includes land that is adjacent to or under improvements used primarily for a commercial fish operation or as a commercial marina or commercial marine repair facility.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on commercial waterfront property.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

§9–250.

(a) In this section, "accessibility feature" means:

(1) a no–step entrance allowing access into a residence;

(2) interior passage doors providing at least a 32–inch–wide clear opening;

(3) grab bars around a toilet, tub, or shower installed to support at least 250 pounds;

(4) light switches, outlets, and thermostats placed in wheelchair–accessible locations;

(5) lever handles on doors; and

(6) universal design features or any accessibility enhancing design feature prescribed by the Department of Housing and Community Development under § 12–202 of the Public Safety Article.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on residential real property equipped with an accessibility feature.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

§9–251.

(a) In this section:

(1) "marine trade waterfront property" means real property that:

(i) is adjacent to the tidal waters of the State;

(ii) is used primarily for an activity or business that requires direct access to, or location in, marine waters due to the nature of the activity or business; and

(iii) for the most recent 3–year period, has produced an average annual gross income of at least $1,000; and

(2) "marine trade waterfront property" includes:

(i) marinas, boat ramps, boat hauling and repair facilities, fishing facilities, and any other boating facilities; and

(ii) land that is adjacent to or under improvements used primarily for an activity or business that requires access to, or location in, marine waters due to the nature of the activity or business.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on marine trade waterfront property.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

§9–252.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax that is imposed on real property that is:

(1) owned by Habitat for Humanity with the intention of relinquishing ownership in the near future;

(2) used for the purposes of development, rehabilitation, and transfer to a private owner; and

(3) not occupied by administrative or warehouse buildings owned by Habitat for Humanity.

(b) If the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation grants a property tax credit under this section, Habitat for Humanity shall submit an annual written report to the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation granting the tax credit documenting:

(1) all of Habitat for Humanity's real property holdings in the jurisdiction granting the tax credit; and

(2) all transactions involving Habitat for Humanity's real property holdings in the jurisdiction granting the tax credit.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may, by law:

(1) set the amount, terms, scope, and duration of a credit granted under subsection (a) of this section; and

(2) adopt any other provision necessary to administer a credit granted under subsection (a) of this section.

§9–253.

(a) (1) In this section the following words have the meanings indicated.

(2) "Urban agricultural property" means real property that is:

(i) at least one–eighth of an acre and not more than 5 acres;

(ii) located in a priority funding area, as defined in § 5–7B–02 of the State Finance and Procurement Article; and

(iii) used for urban agricultural purposes.

(3) "Urban agricultural purposes" means:

(i) crop production activities, including the use of mulch or cover crops to ensure maximum productivity and minimize runoff and weed production;

(ii) environmental mitigation activities, including stormwater abatement and groundwater protection;

(iii) community development activities, including recreational activities, food donations, and food preparation and canning classes;

(iv) economic development activities, including employment and training opportunities, and direct sales to restaurants and institutions; and

(v) temporary produce stands used for the sale of produce raised on the premises.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on urban agricultural property.

(c) (1) Except as provided in paragraph (2) of this subsection, a tax credit under this section shall be granted for 5 years.

(2) (i) If the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation grants a tax credit under this section, the jurisdiction granting a tax credit shall evaluate the effectiveness of the credit after 3 years.

(ii) If the jurisdiction granting the tax credit determines that the tax credit is ineffective in promoting urban agricultural purposes, the jurisdiction granting a tax credit may terminate the tax credit.

(iii) The jurisdiction granting a tax credit under this section may extend the tax credit for an additional 5 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

§9–254.

(a) (1) In this section the following words have the meanings indicated.

(2) "Grocery store" means an entity:

(i) whose primary business is selling food at retail to the general public for off–premises consumption; and

(ii) at least 20% of the gross receipts of which are derived from the retail sale of fresh produce, meats, and dairy products.

(3) "Low–income area" means an area designated, by law, by the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation as a low–income area for purposes of a tax credit under this section.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on real property that is used for a grocery store located in a low–income area.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

§9–255.

(a) (1) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on owner–occupied, residential real property that is purchased from July 1, 2012, through June 30, 2018, and is located in a neighborhood conservation area established or renewed by application to the Department of Housing and Community Development based on the criteria specified in paragraph (2) of this subsection.

(2) The Department of Housing and Community Development shall adopt regulations that establish application procedures for the designation of a neighborhood conservation area based on:

(i) the concentration of foreclosure activity;

(ii) the concentration of blighted or vacant properties; and

(iii) the location within a priority funding area, with preference given to sustainable communities under § 6–201 of the Housing and Community Development Article.

(b) In order to qualify for the credit under this section:

(1) for the 12–month period immediately prior to purchasing the property, the individual's principal residence may not have been located in a neighborhood conservation area designated under this section unless the individual was not an owner of the property that was the individual's principal residence; and

(2) the residential real property must have been purchased in conformance with the eligibility requirements for the credit under this section as established by the Mayor and City Council of Baltimore City or the governing body of the county or municipal corporation.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation shall provide, by law, for:

(1) the amount of the property tax credit authorized under this section for each taxable year after the purchase of the residential real property;

(2) the designation of certain geographic areas as neighborhood conservation areas for purposes of the tax credit authorized under this section;

(3) any additional limitations on eligibility for the credit under this section; and

(4) any other provision necessary to implement the credit under this section.

(d) (1) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation shall provide, on an annual basis to those individuals qualifying for the property tax credit under this section, a statement certifying qualification for the tax credit and the amount of the tax credit being granted.

(2) The statement may be provided on or with the annual property tax bill or in another manner as chosen by the local government.

(e) On or before January 1, of the calendar year following the year in which the neighborhood conservation tax credit is initiated, and each January 1 thereafter, a county or municipal corporation that grants a tax credit under this section shall submit a report, in accordance with § 2–1257 of the State Government Article, to the Senate Budget and Taxation Committee and the House Ways and Means Committee that describes:

(1) the tax credit program;

(2) the designated neighborhood conservation areas;

(3) the number of residential properties within neighborhood conservation areas that qualify for the tax credit under this section; and

(4) the economic impact of the tax credits granted under this section on the neighborhood conservation areas.

§9–256.

(a) (1) In this section, "qualifying investment" means the cost of installation or rehabilitation of building features for the purpose of bringing an existing commercial structure into compliance with current building codes relating to safety or accessibility.

(2) "Qualifying investment" includes costs incurred for:

(i) elevators;

(ii) fire suppression systems;

(iii) means of ingress or egress; or

(iv) architectural or engineering services related to installation or rehabilitation of these or similar building features.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on an existing commercial structure in which a qualifying investment is made for the purpose of allowing for adaptive reuse of the structure.

(c) The tax credit under this section may:

(1) not exceed 50% of the amount of qualifying investment in a structure; and

(2) be granted for up to a 10–year period in an equal amount each year.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the maximum amount of the tax credit that may be provided to a single recipient or all recipients in a taxable year;

(2) additional eligibility criteria for the tax credit;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit.

§9–257.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit for up to

50% of the county or municipal corporation property tax imposed on personal property that is:

(1) not operating property of a railroad or public utility; and

(2) owned or leased by a business entity that:

(i) has been in operation for no more than 2 years; or

(ii) has no more than 15 employees.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit under this section.

§9–258.

(a) (1) In this section the following words have the meanings indicated.

(2) "Dwelling" has the meaning stated in § 9–105 of this title.

(3) "Eligible individual" means:

(i) an individual who is at least 65 years old;

(ii) an individual who is at least 65 years old and is a retired member of the uniformed services of the United States as defined in 10 U.S.C. § 101, the military reserves, or the National Guard;

(iii) a surviving spouse, who is at least 65 years old and has not remarried, of a retired member of the uniformed services of the United States as defined in 10 U.S.C. § 101, the military reserves, or the National Guard;

(iv) an individual who:

1. is an active duty, retired, or honorably discharged member of the uniformed services of the United States as defined in 10 U.S.C. § 101, the military reserves, or the National Guard; and

2. has a service–connected disability as defined in a local law enacted under this section; or

(v) a surviving spouse of an individual described under item (iv) of this paragraph who has not remarried.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on the dwelling of an eligible individual.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under this section;

(2) the maximum assessed value of a dwelling that is eligible for the tax credit under this section;

(3) the minimum number of years, not to exceed 40 years, that an eligible individual not described under subsection (a)(3)(ii), (iii), or (iv) of this section must have resided in the same dwelling;

(4) criteria that define a service–connected disability of an eligible individual described under subsection (a)(3)(iv) of this section;

(5) additional eligibility criteria for the tax credit under this section;

(6) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(7) any other provision necessary to carry out the tax credit under this section.

§9–259.

(a) (1) In this section the following words have the meanings indicated.

(2) "Dwelling" has the meaning stated in § 9–105 of this title.

(3) "Homeowner" has the meaning stated in § 9–105 of this title.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on a dwelling that is:

(1) located in a revitalization district;

(2) owned by a homeowner who, on or after June 1, 2017, made substantial improvements to the dwelling in compliance with the code and laws applied to dwellings; and

(3) reassessed at a higher value.

(c) The tax credit under this section shall equal the amount of county or municipal corporation property tax imposed on the increased value of the dwelling since the last reassessment that is attributable to the improvements made to the property, multiplied by:

(1) 100% for the first taxable year following the first reassessment after the improvements are made;

(2) 80% for the second taxable year following the first reassessment after the improvements are made;

(3) 60% for the third taxable year following the first reassessment after the improvements are made;

(4) 40% for the fourth taxable year following the first reassessment after the improvements are made;

(5) 20% for the fifth taxable year following the first reassessment after the improvements are made; and

(6) 0% for each taxable year thereafter.

(d) If ownership of a dwelling that is eligible for a tax credit under this section is transferred, the grantee is eligible for the balance of the property tax credit under this section in the same manner and under the same conditions as the grantor of the property.

(e) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation shall define, by law, revitalization districts for purposes of the tax credit under this section.

(f) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) additional eligibility criteria for the tax credit under this section;

(2) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(3) any other provision necessary to carry out the tax credit.

§9–260.

(a) In this section, "dwelling" has the meaning stated in § 9–105 of this title.

(b) The governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling located in the county or municipal corporation that is owned by a public safety officer if the public safety officer is otherwise eligible for the credit authorized under § 9–105 of this title.

(c) The governing body of a county or a municipal corporation:

(1) shall define, by law, "public safety officer" for purposes of eligibility for the credit under this section; and

(2) may establish, by law:

(i) the amount of the credit under this section;

(ii) the duration of the credit;

(iii) additional eligibility requirements for public safety officers to qualify for the credit;

(iv) procedures for the application and uniform processing of requests for the credit; and

(v) any other provisions necessary to carry out this section.

§9–261.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on an improvement of real property that substantiates, demarcates, commemorates, or celebrates a burial ground.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the property tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the credit; and

(4) any other provision necessary to carry out this section.

§9–262.

(a) (1) In this section the following words have the meanings indicated.

(2) "Dwelling" has the meaning stated in § 9–105 of this title.

(3) "9–1–1 specialist" means an employee of a county public safety answering point, or an employee working in a county safety answering point, whose duties and responsibilities include:

(i) receiving and processing 9–1–1 requests for emergency assistance;

(ii) other support functions directly related to 9–1–1 requests for emergency assistance; or

(iii) dispatching law enforcement officers, fire rescue services, emergency medical services, and other public safety services to the scene of an emergency.

(b) The governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling located in the county or municipal

corporation that is owned by a 9–1–1 specialist if the 9–1–1 specialist is otherwise eligible for the credit authorized under § 9–105 of this title.

(c) For any taxable year, the credit under this section may not exceed the lesser of:

(1) $2,500 per dwelling; or

(2) the amount of property tax imposed on the dwelling.

(d) The governing body of a county or a municipal corporation may establish, by law:

(1) subject to subsection (c) of this section, the amount of the credit under this section;

(2) the duration of the credit;

(3) additional eligibility requirements for 9–1–1 specialists to qualify for the credit;

(4) procedures for the application and uniform processing of requests for the credit; and

(5) any other provisions necessary to carry out this section.

§9–263.

(a) (1) In this section the following words have the meanings indicated.

(2) "Base year" means the taxable year immediately before the taxable year in which a property tax credit under this section is to be granted.

(3) (i) "Base year value" means the value of the property used to determine the assessment on which the property tax on real property was imposed for the base year.

(ii) "Base year value" does not include the value of any new real property that was first assessed in the base year.

(4) "Eligible assessment" means the difference between the base year value and the actual value as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.

(5) "Qualified opportunity fund" has the meaning stated in § 1400Z–2 of the Internal Revenue Code.

(6) "Qualified opportunity zone business property" has the meaning stated in § 1400Z–2 of the Internal Revenue Code.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit under this section against the property tax imposed on the eligible assessment of a qualified opportunity zone business property if the property was vacant for at least 12 months before the acquisition of the property by a qualified opportunity fund.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may establish, by law:

(1) the amount and duration of the credit under this section;

(2) additional eligibility criteria for the credit under this section;

(3) procedures for the application and uniform processing of requests for the credit; and

(4) any other provisions necessary to carry out this section.

(d) On or before January 1 of the calendar year following the year in which the opportunity zone tax credit is initiated, and each January 1 thereafter, a county or municipal corporation that grants a tax credit under this section shall submit a report, in accordance with § 2–1257 of the State Government Article, to the Senate Budget and Taxation Committee and the House Ways and Means Committee that describes:

(1) the tax credit program; and

(2) the economic impact of the tax credits granted under this section on the opportunity zones.

§9–264.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on real property that is used for the purposes of a public school robotics program or nonprofit robotics program in the State.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section; and

(3) any other provision necessary to carry out this section.

§9–265.

(a) (1) In this section the following words have the meanings indicated.

(2) "Disabled veteran" means an individual who:

(i) is honorably discharged or released under honorable circumstances from active military, naval, or air service as defined in 38 U.S.C. § 101; and

(ii) 1. has been declared by the U.S. Department of Veterans Affairs to have a permanent service–connected disability of at least 50% that results from blindness or any other disabling cause that:

A. is reasonably certain to continue for the life of the veteran; and

B. was not caused or incurred by misconduct of the veteran; or

2. has been declared by the U.S. Department of Veterans Affairs to have a nonpermanent service–connected disability of 100% that results from blindness or any other disabling cause that was not caused or incurred by misconduct of the veteran.

(3) "Dwelling house":

(i) means real property that is:

1. the legal residence of a disabled veteran; and

2. occupied by not more than two families; and

(ii) includes the lot or curtilage and structures necessary to use the real property as a residence.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling house if:

(1) the dwelling house is owned by a disabled veteran;

(2) the disabled veteran's federal adjusted gross income for the immediately preceding taxable year does not exceed $100,000; and

(3) the application requirements of subsection (d) of this section are met.

(c) The property tax credit granted under this section shall equal:

(1) 50% of the county or municipal corporation property tax imposed on the dwelling house if the disabled veteran's service–connected disability rating is at least 75% and the disabled veteran does not qualify for a property tax exemption under § 7–208 of this article; or

(2) 25% of the county or municipal corporation property tax imposed on the dwelling house if the disabled veteran's service–connected disability rating is at least 50% but not more than 74%.

(d) (1) A disabled veteran shall apply for the property tax credit under this section by providing to the county or municipal corporation:

(i) a copy of the disabled veteran's discharge certificate from active military, naval, or air service; and

(ii) on the form provided by the county or municipal corporation, a certification of the disabled veteran's disability from the U.S. Department of Veterans Affairs.

(2) The disabled veteran's certificate of disability may not be inspected by individuals other than:

(i) the disabled veteran; or

(ii) appropriate employees of the county or municipal corporation.

(e) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may, by law, continue to provide the property tax credit under this section to the surviving spouse of the disabled veteran.

(f) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the duration of the tax credit;

(2) regulations and procedures for the application and uniform processing of requests for the tax credit;

(3) the definition of surviving spouse and the amount and duration of the tax credit for the surviving spouse;

(4) notwithstanding subsection (a)(2)(ii)2 of this section, eligibility criteria for the credit allowed under this section that limits the credit to individuals described under subsection (a)(2)(ii)1 of this section; and

(5) any other provision necessary to carry out the tax credit under this section.

§9–266.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real or personal property that is owned or leased by a business entity affected by a state of emergency declared under Title 14 of the Public Safety Article.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit under this section.

§9–267.

(a) In this section, "dwelling" has the meaning stated in § 9–105 of this title.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on the dwelling of a surviving spouse of a fallen service member, if the surviving spouse has not remarried and is ineligible for the property tax exemption under § 7–208 of this article.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation:

(1) shall define, by law, who is a fallen service member; and

(2) may provide, by law, for:

(i) the amount and duration of the tax credit;

(ii) additional eligibility criteria for the tax credit under this section;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the tax credit under this section.

§9–268.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on real property that is used for a hotel or residential development project that is newly constructed or involves substantial rehabilitation or revitalization of existing structures.

(b) To qualify for the credit under this section, a hotel shall substantially increase the assessed value of the property.

(c) To qualify for the credit under this section, a residential development project shall:

(1) include at least 20 residential units; and

(2) have at least 15% of all residential units within the development that are affordable to households earning less than 80% of the area median income.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) eligibility requirements for the tax credit;

(3) application procedures for the tax credit; and

(4) any other provision necessary to carry out this section.

§9–269.

(a) In this section, "qualifying tourism enterprise" and "tourism zone" have the meanings stated in § 18–401 of the Local Government Article.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on a building that:

(1) is located in a tourism zone; and

(2) is owned by a qualifying tourism enterprise.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit under this section.

§9–270.

(a) In this section, "qualifying tourism enterprise" and "tourism zone" have the meanings stated in § 18–401 of the Local Government Article.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on personal property of a qualifying tourism enterprise that is located within a tourism zone.

(c) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit under this section.

§9–271.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on an apartment building, a condominium building, or a building owned by a cooperative housing corporation if the owner of the apartment building, the condominium association, or the cooperative housing corporation made fire safety improvements to the building on or after July 1, 2024.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section; and

(3) any other provision necessary to carry out this section.

§9–272.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on residential real property that is owned by and is the primary dwelling of an employee of the public school system of the county where the residential real property is located.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section; and

(3) any other provision necessary to carry out this section.

§9–273.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on an apartment building or a condominium building if the owner of the building made health or safety improvements to the building on or after July 1, 2024.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section; and

(3) any other provision necessary to carry out this section.

§9–274.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on an apartment building or a condominium building that is used on or after July 1, 2024, for the purposes of a local housing program for homeless individuals or families.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the amount and duration of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section; and

(3) any other provision necessary to carry out this section.

§9–301.

(a) Except as otherwise specifically provided, the provisions of this section apply to property tax credits granted under this subtitle.

(b) A property tax credit granted under this subtitle shall be granted against 100% of all property tax or special district charges that otherwise would be due.

(c) The Mayor and City Council of Baltimore City or the appropriate governing body may adopt regulations necessary to carry out the property tax credit provisions of this subtitle.

(d) When a tax bill is sent to a taxpayer who is entitled to a property tax credit under this subtitle, the Mayor and City Council of Baltimore City or the appropriate governing body shall give notice of each property tax credit under this subtitle that the taxpayer is entitled to.

(e) (1) To receive a property tax credit under this subtitle, a taxpayer shall apply for the property tax credit.

(2) Except as provided under § 9-312 of this subtitle for Frederick County, if a taxpayer fails to apply for a property tax credit under this subtitle on or before October 1 of each taxable year, the property tax credit may not be granted.

(3) A taxpayer shall state under oath that the facts in the application are true.

(f) (1) The Mayor and City Council of Baltimore City or each governing body that grants a property tax credit under this subtitle shall designate the administrative unit or official to administer each tax credit that it grants under this subtitle.

(2) Annually on or before December 31, the Mayor and City Council of Baltimore City or each governing body that grants a property tax credit under this subtitle shall submit to the Department on the form that the Department provides:

(i) the total value of all property tax credits granted by the governing body under this subtitle;

(ii) an itemized list of the property tax credits granted for real property; and

(iii) an itemized list of the property tax credits granted for personal property.

(3) The Mayor and City Council of Baltimore City or each governing body that grants a property tax credit under this subtitle shall:

(i) in the same manner as the assessment roll, make available for public inspection bound copies of the forms required by paragraph (2) of this subsection; and

(ii) identify clearly on the tax roll the properties that are granted a property tax credit under this subtitle.

§9–302.

(a) The governing body of Allegany County and of a municipal corporation in Allegany County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) personal property that is owned by a nonprofit television broadcast translator station that is supported principally by public subscription; and

(2) property that is:

(i) owned by the South Cumberland Business and Civic Association, Incorporated; and

(ii) known as the South Cumberland Civic Center.

(b) The governing body of Allegany County or of a municipal corporation in Allegany County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on:

(1) property that is owned by the Upper Potomac Jaycees, Incorporated;

(2) property that is owned by the Allegany Beagle Club, Incorporated;

(3) property that is:

(i) leased by Frostburg Community Hospital, Inc.; and

(ii) used for hospital purposes;

(4) property that is owned by the Western Maryland Scenic Railroad;

(5) property that is owned by the Frostburg Lions Club;

(6) property that is owned by the Cumberland/Allegany County Industrial Foundation, Inc.;

(7) property that is owned by the La Vale Lions Club Foundation, Inc.;

(8) property that is owned by the Carver Community Center, Inc.;

(9) property that is owned by the Cumberland Cultural Foundation and is known as the Gilchrist Museum;

(10) property that is owned by the Allegany County Agricultural Expo, Inc.;

(11) property that is owned by the Allegany County Building Trades Education Foundation, Inc.;

(12) property that is owned by the Frostburg Museum Association, Inc.;

(13) property that is owned by the Allegany County Animal Shelter Management Foundation, Inc.;

(14) property that is owned by the Family Junction, Inc.;

(15) property that is owned by the LaVale Swim Club, Inc.;

(16) property that is:

(i) owned by:

1. The Lions Center, LLC;

2. The Lions Center I, LLC; or

3. The Lions Center II, LLC; and

(ii) known as The Lions Center for Rehabilitation and Extended Care;

(17) property that is owned by the Cumberland Economic Development Corporation; and

(18) property that is owned by Evergreen Heritage Center Foundation, Inc., or Evergreen Heritage Center Holdings, LLC.

(c) (1) The governing body of Allegany County shall grant a property tax credit under this section against the county property tax imposed on:

(i) property that is:

1. owned directly or indirectly by a bona fide labor union or a corporation whose capital stock is owned only by a bona fide labor union;

2. used only for the mutual benefit of the members of the bona fide labor union; and

3. except as provided in paragraph (2) of this subsection, not used for profit;

(ii) real property that is:

1. owned by a religious organization;

2. leased to the La Vale Athletic Association;

3. located in La Vale; and

4. used only to conduct athletic and recreational programs for youth; and

(iii) real property on which improvements are made to a structure that the governing body of Allegany County has certified to be historically or architecturally significant.

(2) Any property under paragraph (1)(i) of this subsection that is commercially rented is taxable to the extent of the commercial use of the property.

(3) A property tax credit granted under paragraph (1)(iii) of this subsection shall be:

(i) the following percentage of the increase that is due to the improvement:

1. 100% of the increase in the assessment of the real property in the 1st and 2nd taxable years that the improved structure is subject to the county property tax;

2. 80% of the increase in the assessment of the real property in the 3rd taxable year that the improved structure is subject to the county property tax;

3. 60% of the increase in the assessment of the real property in the 4th taxable year that the improved structure is subject to the county property tax; and

4. 40% of the increase in the assessment of the real property in the 5th taxable year that the improved structure is subject to the county property tax; and

(ii) ended after the 5th taxable year that the improved structure is subject to county property tax.

(d) The governing body of Allegany County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is:

(1) owned by the Greater Cumberland Chamber of Commerce;

(2) known as the Bell Tower Building; and

(3) located in Cumberland, Maryland.

(e) The governing body of Allegany County shall grant a property tax credit under this section against the county and special district property tax imposed on:

(1) property that is owned by the Cresaptown Civic Improvement Association, Incorporated; and

(2) property that is owned by the Potomac Park Citizens Committee, Incorporated.

(f) The governing body of Allegany County or of the City of Cumberland may grant, by law, a property tax credit under this section against the county and municipal corporation tax imposed on property that is owned by the Cumberland Outdoor Club, Incorporated.

(g) (1) The governing body of Allegany County or of the City of Cumberland may grant, by law, a property tax credit under this section against the county and municipal corporation tax imposed on:

(i) property that is rehabilitated under regulations adopted by the governing body; or

(ii) property that is new construction under regulations adopted by the governing body.

(2) A property tax credit granted under paragraph (1) of this subsection may not extend beyond the first 10 years after the rehabilitation or new construction is completed.

(3) The amount of a tax credit granted under paragraph (1) of this subsection may not exceed the amount of the initial valuation of the rehabilitation to the property or the new construction and the resulting phase–in of the valuation.

(h) The governing body of Allegany County may grant, by law, a property tax credit under this section against the county and special district property tax imposed on property that is owned by the Western Maryland Street Rod Association, Incorporated.

(i) (1) The governing body of Allegany County may grant a county property tax credit or exemption for machinery and equipment used in manufacturing, assembling, processing, or refining products for sale or in the generation of electricity and may define, fix, or limit the amount, terms, scope, and duration of any credit or exemption provided for or affirmed under this subsection.

(2) To the extent that a tax credit or exemption is granted under this subsection for machinery and equipment used in manufacturing, assembling, processing, or refining products for sale, the property may not be treated as taxable personal property for the purpose of computing any payments of State aid to education under § 5–202 of the Education Article or other payments of State aid to counties or municipal corporations that by law are based on the assessment of property.

(3) To the extent that a tax credit or exemption is granted under this subsection for machinery and equipment that is used in the generation of electricity for a facility that started generating electricity prior to June 1, 2000, the property may not be treated as taxable personal property for the purpose of computing any payments of State aid to education under § 5–202 of the Education Article or other payments of State aid to counties or municipal corporations that by law are based on the assessment of property.

(4) Paragraphs (2) and (3) of this subsection do not apply to any personal property unless Allegany County submits to the Department, on or before October 31 of the taxable year for which the tax credit or exemption for the property is granted, the information required under § 9–201(b) of this title regarding the tax credit or exemption.

(j) (1) To encourage the location and development of business operations and expansion of the employment base in Allegany County, the governing body of Allegany County and of a municipal corporation in Allegany County may grant, by law, a property tax credit against the county and municipal corporation property tax imposed on any property within:

(i) the area known as the Riverside Industrial Park;

(ii) a commercial or industrial park owned, managed, or operated by the Allegany County Commissioners; or

(iii) a public industrial park owned, managed, or operated by an organization described in § 501(c)(6) of the Internal Revenue Code.

(2) In authorizing a credit under paragraph (1)(ii) or (iii) of this subsection, the governing body of the county or municipal corporation may provide, by law, for:

(i) the amount of the credit; and

(ii) any other provision necessary to administer the credit.

(3) A tax credit granted under this subsection may not be granted for more than 10 years.

(k) (1) Subject to paragraph (2) of this subsection, the governing body of Allegany County or of a municipal corporation in Allegany County may grant, by law, a property tax credit under this section against the county or municipal corporation

property tax imposed on property that is subdivided into five or more lots for purposes of future residential development.

(2) (i) A property tax credit granted under paragraph (1) of this subsection shall equal 100% of the tax imposed on the increase in the assessment of the real property when the property is first revalued following the subdivision of the property.

(ii) A property tax credit granted under paragraph (1) of this subsection does not apply to a subdivided lot that has been transferred to a new owner after the property was subdivided.

(l) (1) The governing body of Allegany County or of a municipal corporation in Allegany County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on any property that:

(i) is owned by Western Maryland Health System Corporation;

(ii) was formerly designated and operated as Western Maryland Health System Braddock Hospital; and

(iii) is vacant as a result of hospital consolidation and relocation approved by the Maryland Health Care Commission.

(2) To encourage the location and development of business operations and expansion of the employment base in Allegany County, the governing body of Allegany County or of a municipal corporation in Allegany County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on any property that:

(i) was formerly owned by Western Maryland Health System Corporation;

(ii) was formerly designated and operated as Western Maryland Health System Braddock Hospital;

(iii) was formerly vacant as a result of hospital consolidation and relocation approved by the Maryland Health Care Commission; and

(iv) is owned, managed, or operated by an organization described in § 501(c)(3) or § 501(c)(6) of the Internal Revenue Code.

(3) In authorizing a credit under paragraph (1) or (2) of this subsection, the governing body of the county or municipal corporation may provide, by law, for:

(i) the amount of the credit;

(ii) eligibility criteria for the credit;

(iii) regulations and procedures for the application and uniform processing of requests for the credit; and

(iv) any other provision necessary to administer the credit.

(4) A tax credit granted under this subsection may not be granted for more than 10 years.

(m) (1) To encourage the location and development of business operations and expansion of the employment base in Allegany County, the governing body of Allegany County or of a municipal corporation in Allegany County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on any property within the area known as the Memorial Hilltop Centre.

(2) In authorizing a credit under paragraph (1) of this subsection, the governing body of the county or municipal corporation may provide, by law, for:

(i) the amount of the credit;

(ii) eligibility criteria for the credit;

(iii) regulations and procedures for the application and uniform processing of requests for the credit; and

(iv) any other provision necessary to administer the credit.

(3) A tax credit granted under this subsection may not be granted for more than 10 years.

§9–303.

(a) The governing body of Anne Arundel County and of a municipal corporation in Anne Arundel County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) property that is:

(i) owned by the United States Naval Academy Alumni Association, Incorporated;

(ii) located at the corner of College Avenue and King George Street in Annapolis, Maryland; and

(iii) known as Ogle Hall;

(2) property that is:

(i) owned by the Naval Academy Athletic Association; and

(ii) used for athletic events and purposes;

(3) real property that is owned by the Three Rivers Sportsmen, Incorporated; and

(4) property that is owned by the Maryland Ornithological Society, Incorporated.

(b) (1) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may grant, by law, a property tax credit under this section against the county or municipal corporation tax imposed on real property that is:

(i) owned by a nonprofit community civic association or corporation; and

(ii) dedicated by plat or deed restriction to the use of the lot owners in the community, if the use is not contingent on the payment of:

1. dues to the association or corporation, unless the dues are used only to improve or maintain the property of the community; or

2. compensation for admission to or use of the property, unless the compensation is used only to improve or maintain the property of the community.

(2) The governing body of Anne Arundel County may grant, by law, a property tax credit under this section against the county tax imposed on real property that is:

(i) owned by the Village Commons Community Center, Incorporated; or

(ii) leased by Anne Arundel Community College at Arundel Mills.

(3) (i) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may grant, by law, a property tax credit under this section against the county or municipal corporation tax imposed on real property that is owned by Arundel Habitat for Humanity, Inc., and is located at 8101 Fort Smallwood Road, Baltimore, Maryland or 8104 Parkway Drive, Baltimore, Maryland.

(ii) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may provide, by law, for:

1. the amount, terms, scope, and duration of the credit granted under this paragraph; and

2. any other provision necessary to administer the credit granted under this paragraph.

(4) (i) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is:

1. leased to a public charter school, as defined in § 9–102 of the Education Article; and

2. used exclusively for primary or secondary educational purposes.

(ii) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may provide, by law, for:

1. the amount and duration of the tax credit under this paragraph;

2. additional eligibility criteria for the tax credit under this paragraph, including a requirement that the tax credit benefit the public charter school;

3. regulations and procedures for the application and uniform processing of requests for the tax credit; and

4. any other provision necessary to carry out the credit under this paragraph.

(5) (i) 1. In this paragraph the following words have the meanings indicated.

2. "Benefit corporation" means a Maryland corporation that elects to be a benefit corporation and complies with Title 5, Subtitle 6C of the Corporations and Associations Article.

3. "Benefit limited liability company" means a Maryland limited liability company that elects to be a benefit limited liability company and complies with Title 4A, Subtitle 12 of the Corporations and Associations Article.

(ii) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may grant, by law, a property tax credit under this paragraph against the county or municipal corporation property tax imposed on real or personal property that is:

1. owned or leased by a benefit corporation or benefit limited liability company;

2. not used for residential purposes; and

3. used in a trade or business by a benefit corporation or benefit limited liability company.

(iii) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may provide, by law, for:

1. additional eligibility criteria for the tax credit;

2. the amount of the tax credit;

3. the duration of the tax credit, for a period not to exceed 10 years;

4. regulations and procedures for the application, certification, and uniform processing of requests for the tax credit;

5. a limitation on the aggregate amount of tax credits granted under this paragraph; and

6. any other provision necessary to carry out the tax credit under this paragraph.

(6) (i) 1. In this paragraph the following words have the meanings indicated.

2. "Blind individual" means an individual who has a permanent impairment of both eyes that:

A. causes central visual acuity, with corrective glasses, of 20/200 or less in the better eye; or

B. causes central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted so that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye.

3. "Dwelling house" means real property that:

A. is the legal residence of a blind individual;

B. is occupied by not more than two families; and

C. includes the lot or curtilage, and structures necessary to use the real property as a residence.

(ii) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may grant, by law, a property tax credit under this paragraph against the county or municipal corporation property tax imposed on $15,000 of the assessment value of a dwelling house that is owned by a blind individual.

(iii) 1. Except as provided in subsubparagraph 2 of this subparagraph, if a property tax credit under this paragraph is granted, it shall be granted in addition to any property tax exemption authorized by law.

2. An individual may not receive both a property tax credit under this paragraph and an exemption under § 7–208 of this article.

(iv) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may provide, by law, for:

1. regulations and procedures for the application and uniform processing of requests for the tax credit; and

2. any other provision necessary to administer the tax credit under this paragraph.

(7) (i) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may grant, by law, a property tax credit under this paragraph against the county or municipal corporation property tax imposed on real property that is owned by and used as the principal residence of an individual who is at least 62 years old and of limited income.

(ii) The governing body of Anne Arundel County or of a municipal corporation in Anne Arundel County may provide, by law, for:

1. the amount and duration of the property tax credit under this paragraph;

2. income eligibility criteria and any additional eligibility criteria for the tax credit;

3. regulations and procedures for the application and uniform processing of requests for the tax credit; and

4. any other provision necessary to administer the tax credit under this paragraph.

(c) The governing body of Anne Arundel County shall grant a property tax credit under this section against county property tax imposed on real property that is owned by the Davidsonville Ruritan Foundation, Incorporated.

(d) The governing body of Anne Arundel County may grant, by law, a property tax credit under this section against the county tax imposed on real property that is subject to the State's or county's agricultural land preservation program.

§9–304.

(a) (1) The Mayor and City Council of Baltimore City shall grant, by law, a property tax credit under this section against the county property tax imposed on real property that:

(i) is subject to a perpetual conservation easement donated to the Maryland Environmental Trust on or before June 30, 1986; and

(ii) is not eligible for a credit under § 9–107 of this title.

(2) The Mayor and City Council of Baltimore City shall provide, by law, for:

(i) the amount and duration of the property tax credit under this section; and

(ii) any other provisions necessary to carry out the property tax credit under this section.

(b) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this section against the county property tax imposed on:

(1) real property that is leased, occupied, and used only by the Arc Baltimore, Inc.;

(2) personal property that is owned by the Northwest Family Sport Center, Inc.; and

(3) property that is:

(i) owned by the South Baltimore Little League;

(ii) located at 1101 E. Fort Avenue, Baltimore, Maryland; and

(iii) used for amateur sports.

(c) (1) In this subsection, "vacant dwelling" means residential real property that:

(i) contains no more than four dwelling units; and

(ii) 1. has been cited with a vacant building notice; or

2. has been owned by the Mayor and City Council of Baltimore City for 1 year and is in need of substantial repair to comply with applicable city codes.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on real property that is owned by qualifying owners of vacant dwellings.

(3) A property tax credit granted under this subsection may not exceed the amount of county property tax imposed on the increased value of the residential real property that is due to the improvements made to the property immediately before the occupancy permit was issued, multiplied by:

(i) 100% for the first taxable year in which the property qualifies for the tax credit;

(ii) 80% for the second taxable year in which the property qualifies for the tax credit;

(iii) 60% for the third taxable year in which the property qualifies for the tax credit;

(iv) 40% for the fourth taxable year in which the property qualifies for the tax credit;

(v) 20% for the fifth taxable year in which the property qualifies for the tax credit; and

(vi) 0% for each taxable year thereafter.

(4) Owners of vacant dwellings may qualify for the tax credit authorized by this subsection by:

(i) substantially rehabilitating the vacant dwelling in compliance with the code and laws applied to dwellings;

(ii) occupying the dwelling after rehabilitation as their principal residence; and

(iii) satisfying other requirements as may be provided by the Mayor and City Council of Baltimore City.

(5) The Mayor and City Council of Baltimore City may provide for procedures necessary and appropriate for the submission of an application for and the granting of a property tax credit under this subsection.

(d) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Eligible dwelling" means residential real property that is:

1. a newly constructed dwelling; or

2. a substantially rehabilitated dwelling.

(iii) 1. "Major building component" means a component, at least 50% of which is replaced, that:

A. is significant to the dwelling and its use;

B. is normally expected to last the useful life of the dwelling; and

C. is not minor or cosmetic.

2. "Major building component" includes:

A. roof structures;

B. wall or floor structures;

C. foundations; or

D. plumbing, central heating and air conditioning, or electrical systems.

(iv) 1. "Newly constructed dwelling" means residential real property that has not been previously occupied since its construction and for which the building permit for construction was issued:

A. on or after October 1, 1994, but before July 1, 2019; or

B. on or after July 1, 2020.

2. "Newly constructed dwelling" includes a "vacant dwelling" as defined in subsection (c)(1) of this section that has been rehabilitated in compliance with applicable local laws and regulations and has not been previously occupied since the rehabilitation.

(v) "Owner" means "homeowner" as defined in § 9–105 of this title.

(vi) 1. "Substantially rehabilitated dwelling" means residential real property that, on or after July 1, 2020, has undergone repairs, replacements, or improvements:

A. of two or more major building components;

B. that comply with local laws and regulations; and

C. for which the direct construction costs incurred by the owner exceed $6,500 or, after the completion of the repairs, replacements, or improvements, 30% of the property's assessed value in the taxable year.

2. "Substantially rehabilitated dwelling" does not include a rehabilitated "vacant dwelling" as defined in subsection (c)(1) of this section.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on eligible dwellings that are owned by qualifying owners.

(3) A property tax credit granted under this subsection may not exceed the sum of:

(i) the amount of county property tax imposed on the real property that is attributable to the first $300,000 of assessed value, less the amount of any other credit applicable in that year that is attributable to that amount of assessed value, multiplied by:

1. 100% for the first taxable year in which the property qualifies for the tax credit;

2. 40% for the second taxable year in which the property qualifies for the tax credit;

3. 30% for the third taxable year in which the property qualifies for the tax credit;

4. 20% for the fourth taxable year in which the property qualifies for the tax credit;

5. 10% for the fifth taxable year in which the property qualifies for the tax credit; and

6. 0% for each taxable year thereafter;

(ii) the amount of county property tax imposed on the real property that is attributable to the amount of assessed value in excess of $300,000

but not exceeding $500,000, less the amount of any other credit applicable in that year that is attributable to that amount of assessed value, multiplied by:

1. 50% for the first taxable year in which the property qualifies for the tax credit;

2. 40% for the second taxable year in which the property qualifies for the tax credit;

3. 30% for the third taxable year in which the property qualifies for the tax credit;

4. 20% for the fourth taxable year in which the property qualifies for the tax credit;

5. 10% for the fifth taxable year in which the property qualifies for the tax credit; and

6. 0% for each taxable year thereafter; and

(iii) the amount of county property tax imposed on the real property that is attributable to the amount of assessed value in excess of $500,000, less the amount of any other credit applicable in that year that is attributable to that amount of assessed value, multiplied by:

1. 25% for the first taxable year in which the property qualifies for the tax credit;

2. 20% for the second taxable year in which the property qualifies for the tax credit;

3. 15% for the third taxable year in which the property qualifies for the tax credit;

4. 10% for the fourth taxable year in which the property qualifies for the tax credit;

5. 5% for the fifth taxable year in which the property qualifies for the tax credit; and

6. 0% for each taxable year thereafter.

(4) Notwithstanding the credit amount calculated under paragraph (3) of this subsection, the Mayor and City Council of Baltimore City may establish,

by law, maximum limits on the cumulative property tax credit allowed under this subsection or on the amount of the credit allowed for any year.

(5) Owners of eligible dwellings may qualify for the tax credit authorized by this subsection by:

(i) if the eligible dwelling is a newly constructed dwelling, purchasing the newly constructed dwelling;

(ii) occupying the eligible dwelling as their principal residence;

(iii) filing a State income tax return during the period of the tax credit as a resident of Baltimore City; and

(iv) satisfying other requirements as may be provided by the Mayor and City Council of Baltimore City.

(6) (i) The Mayor and City Council of Baltimore City may provide, by law, for two application periods during which owners can apply for the property tax credit under this subsection based on:

1. A. if the dwelling is a newly constructed dwelling, the purchase date of the dwelling; or

B. if the dwelling is a substantially rehabilitated dwelling, the date on which the rehabilitation is completed; and

2. the date of the assessment notice.

(ii) If granted, the tax credit shall be applied against the owner's property taxes as long as the owner remains the owner–occupant of the dwelling for which the credit is received.

(iii) The Mayor and City Council of Baltimore City shall provide for any procedures necessary and appropriate for implementing the application periods.

(7) The Mayor and City Council of Baltimore City may provide for additional procedures necessary and appropriate for the submission of an application for and the granting of a property tax credit under this subsection, including procedures for granting partial credits for eligibility for less than a full taxable year.

(8) The estimated amount of all tax credits received by owners under this subsection in any fiscal year shall be reported by the Director of Finance of

Baltimore City as a "tax expenditure" for that fiscal year and shall be included in the publication of the City's budget for any subsequent fiscal year with the estimated or actual City property tax revenue for the applicable fiscal year.

(9) (i) After June 30, 2025, additional owners of eligible dwellings may not be granted a credit under this subsection.

(ii) This paragraph does not apply to an owner's continuing receipt of a credit as allowed in paragraph (3) of this subsection, with respect to a property for which a tax credit under this subsection was received for a taxable year ending on or before June 30, 2025.

(e) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Dwelling" has the meaning stated in § 9–105(a)(2) of this title.

(iii) "Homeowner" has the meaning stated in § 9–105(a)(3) of this title.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit against the county property tax imposed on a dwelling that:

(i) is owned by a homeowner;

(ii) has been substantially improved since the last reassessment; and

(iii) is reassessed at a higher value.

(3) Subject to paragraph (4) of this subsection, a tax credit under this subsection shall equal the amount of county property tax imposed on the increased value of the dwelling that is due to the improvements made to the property, multiplied by:

(i) 100% for the first taxable year following the first reassessment after the improvements are made;

(ii) 80% for the second taxable year following the first reassessment after the improvements are made;

(iii) 60% for the third taxable year following the first reassessment after the improvements are made;

(iv) 40% for the fourth taxable year following the first reassessment after the improvements are made;

(v) 20% for the fifth taxable year following the first reassessment after the improvements are made; and

(vi) 0% for each taxable year thereafter.

(4) (i) To continue eligibility for a tax credit under this subsection, a dwelling must remain in compliance with the local housing code.

(ii) If a dwelling owned by a person who has received a tax credit under this subsection is found to be in violation of the local housing code, the property owner is not eligible for any further tax credit under this subsection until the dwelling is determined again to be in compliance with the local housing code.

(iii) A dwelling that is again brought into compliance is eligible for a tax credit at the rate it would have been eligible before the violation of the local housing code.

(5) If a dwelling that is eligible for a tax credit under this subsection is transferred, the grantee is eligible for the balance of the property tax credits under this subsection in the same manner and under the same conditions as the grantor of the property.

(6) The property tax credit may not apply to the value of the improvements to the dwelling that exceed $100,000.

(7) To receive the tax credit under this subsection, the homeowner shall have the burden of showing that the increase in assessment is due to the value of the improvements to the dwelling that were made since the last assessment of the dwelling.

(f) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Market–rate rental housing project" means a multifamily dwelling containing five or more units in which none of the units are subject to government restrictions on the amount of rent charged or the income level of the tenant.

(iii) "Newly constructed" means that an occupancy permit is issued on or after October 1, 1995.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on newly constructed market–rate rental housing projects.

(3) A property tax credit granted under this subsection may not exceed the amount of county property tax imposed on the real property, less the amount of any other credit applicable in that year, multiplied by:

(i) 50% for the first taxable year in which the property qualifies for the tax credit;

(ii) 40% for the second taxable year in which the property qualifies for the tax credit;

(iii) 30% for the third taxable year in which the property qualifies for the tax credit;

(iv) 20% for the fourth taxable year in which the property qualifies for the tax credit;

(v) 10% for the fifth taxable year in which the property qualifies for the tax credit; and

(vi) 0% for each taxable year thereafter.

(4) The Mayor and City Council of Baltimore City may provide additional eligibility requirements.

(5) The Mayor and City Council of Baltimore City may provide for procedures for the submission of an application for a property tax credit under this subsection and the granting of the credit, including procedures for the granting of a partial credit for property qualifying for the credit for less than a full taxable year.

(6) A newly constructed market–rate rental housing project may not qualify for the first taxable year of a tax credit under this subsection after June 30, 2001.

(7) An ordinance of the Mayor and City Council of Baltimore City authorizing tax credits in accordance with this subsection shall require:

(i) the development of a method, to be approved by the Board of Estimates, for analysis of the public costs and benefits of the tax credits; and

(ii) an annual report to the Board of Estimates and to the Mayor and City Council of Baltimore City of the results and findings of that analysis.

(g) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Director" means the Director of the Department of Finance of Baltimore City.

(iii) "Dwelling" has the meaning indicated in § 9–105 of this title.

(iv) "Homeowner" has the meaning indicated in § 9–105 of this title.

(2) The Mayor and City Council of Baltimore City shall grant, by law, a property tax credit under this subsection against the county property tax imposed on a dwelling located in Baltimore City that is newly purchased by a homeowner who has received a credit under § 9–105 of this title for the preceding 5 years for a dwelling located in Baltimore City.

(3) (i) To qualify for the credit under this subsection, a homeowner shall submit an application to the Director as provided in this paragraph.

(ii) The application shall be:

1. made on the form that the Director requires; and

2. according to procedures established by the Director.

(4) (i) The credit under this subsection is a fixed amount of $4,000 to be applied to the homeowner's property tax bill over a period of 5 years as follows:

1. $1,000 in the first year;

2. $900 in the second year;

3. $800 in the third year;

4. $700 in the fourth year; and

5. $600 in the fifth year.

(ii) 1. The Mayor and City Council of Baltimore City may increase the total amount provided under subparagraph (i) of this paragraph by up to an additional $1,000 for a homeowner who purchases a dwelling located within a low or moderate income census tract, as designated from time to time by the U.S. Department of Housing and Urban Development and in which at least 51% of the persons living in the tract are in households earning 80% or less of the area median income.

2. A homeowner residing within a low or moderate income census tract as described under subsubparagraph 1 of this subparagraph when the homeowner submits an application under paragraph (3) of this subsection shall remain eligible for the increased credit under this subparagraph even if the census tract changes following the date of application and the homeowner would otherwise be ineligible for the increased credit during the 5–year period.

3. The Director may establish additional criteria necessary to carry out this subparagraph.

(5) A homeowner may not receive the credit under this subsection, or a portion of the credit, if, in any year, the application of the credit, or a portion of the credit, would reduce the homeowner's property tax liability below the homeowner's property tax liability for the dwelling previously occupied by the homeowner.

(6) In any year in which a homeowner receives a credit under this subsection, the homeowner may not receive:

(i) the local portion of the credit under § 9–105 of this title; or

(ii) except for the property tax credit provided under § 9–221 of this title, any other property tax credit provided by Baltimore City.

(7) The credit under this subsection may not be transferred to:

(i) a person who purchases a dwelling from a homeowner who received the credit under this subsection; or

(ii) a dwelling that is subsequently purchased by a homeowner who received the credit under this subsection.

(8) After the termination of the credit under this subsection, a homeowner is entitled to the local portion of the credit under § 9–105 of this title, which shall be calculated:

(i) as if the homeowner had received the credit under § 9–105 of this title beginning in the second year the homeowner occupied the dwelling; and

(ii) based on the full assessed value of the dwelling in each year the homeowner received the credit under this subsection.

(9) (i) Baltimore City shall allocate no more than $3,000,000 for each year that applications for the credit under this subsection are accepted to pay:

1. the total cost of the credits for the approved applicants during the year for the entire period during which the applicants will receive the credit; and

2. the cost of administering the credit by the Department of Finance of Baltimore City.

(ii) The Director shall review and approve applications for the credit under this subsection based on:

1. the date the application was received; and

2. the availability of the funds allocated for the credit under subparagraph (i) of this paragraph.

(10) The Department of Finance of Baltimore City may adopt regulations as necessary to carry out this subsection.

(h) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Eligible construction" means construction of a new supermarket or any substantial renovation of an existing supermarket.

(iii) "Supermarket" means a grocery store that has:

1. all major food departments, including produce, meat, seafood, dairy, and canned and packaged goods;

2. more than 50% of total sales derived from food sales; and

3. more than 50% of total floor space dedicated to food sales.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county personal property tax imposed on personal property that is owned by a supermarket that:

(i) completes eligible construction; and

(ii) is located in a food desert retail incentive area.

(3) The Mayor and City Council of Baltimore City shall, by law, designate what constitutes a food desert retail incentive area for purposes of the tax credit under this subsection.

(4) A property tax credit granted under this subsection for a taxable year may not exceed the amount of property tax imposed on the personal property of a supermarket in that year.

(5) The Mayor and City Council of Baltimore City may establish, by law:

(i) limits on the cumulative amount of property tax credits granted under this subsection;

(ii) additional limitations on the amount of the credit;

(iii) additional eligibility requirements for supermarkets to qualify for the tax credit under this subsection;

(iv) additional criteria for what constitutes eligible construction that may qualify a supermarket for the tax credit under this subsection; and

(v) any other provisions necessary to carry out this subsection.

(i) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Dwelling" has the meaning stated in § 9–105 of this title.

(iii) "Public safety officer" means a firefighter, an emergency medical technician, or a law enforcement officer who is a sworn member of and employed full time by:

1. the Baltimore City Fire Department;

2. the Baltimore City Police Department;

3. the Baltimore City Sheriff's Office; or

4. the Baltimore City Public School System.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on a dwelling located in Baltimore City that is owned by a public safety officer if the public safety officer is otherwise eligible for the credit authorized under § 9–105 of this title.

(3) In any taxable year, the credit under this subsection:

(i) may not exceed $2,500 per dwelling; and

(ii) may not exceed the amount of property tax imposed on the dwelling.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, in any taxable year in which a public safety officer receives a credit under this subsection, the public safety officer may not receive any other property tax credit provided by Baltimore City.

(ii) In addition to the credit under this subsection, a public safety officer may receive:

1. the local portion of the credit authorized under § 9–105 of this title; and

2. the credit authorized under § 9–221 of this title.

(5) The Mayor and City Council of Baltimore City may establish, by law:

(i) subject to paragraph (3) of this subsection, the amount and application of the credit under this subsection;

(ii) the duration of the credit;

(iii) additional eligibility requirements for public safety officers to qualify for the credit;

(iv) regulations and procedures for the application and uniform processing of requests for the credit under this subsection; and

(v) any other provisions necessary to carry out this subsection.

(j) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Newly constructed dwelling" has the meaning stated in subsection (d) of this section.

(iii) "Vacant dwelling" has the meaning stated in subsection (c) of this section.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on real property that:

(i) is located in any neighborhood that the Baltimore City Housing Department determines has a vacant dwelling rate of at least 35% for each of the prior 3 years; and

(ii) is owned by qualifying owners of a vacant or newly constructed dwelling.

(3) A property tax credit granted under this subsection shall be up to 100% of the property tax imposed on the value of the improvements for the first 10 taxable years in which the property qualifies for the tax credit.

(4) Owners of vacant or newly constructed dwellings may qualify for the tax credit authorized under this subsection by:

(i) 1. substantially rehabilitating a vacant dwelling in compliance with the code and laws applied to dwellings; or

2. A. purchasing a newly constructed dwelling; and

B. occupying the newly constructed dwelling as their principal residence; and

(ii) filing a State income tax return during the period of the tax credit as a resident of Baltimore City.

(5) Notwithstanding paragraph (4) of this subsection, a community development corporation or a developer may qualify for the tax credit under this subsection if the community development corporation or developer purchases the dwelling to be used as residential rental property.

(6) The Mayor and City Council of Baltimore City shall provide for procedures necessary and appropriate for the submission of an application for and the granting of a property tax credit under this subsection.

(k) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Dwelling" has the meaning stated in § 9–105 of this title.

(iii) "Low–income employee" means an individual who:

1. is employed full–time by Baltimore City;

2. is among the 25% lowest–paid, full–time Baltimore City employees; and

3. owns a dwelling located in Baltimore City.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on a dwelling located in Baltimore City that is owned by a low–income employee if the low–income employee is otherwise eligible for the credit authorized under § 9–105 of this title.

(3) In any taxable year, the credit under this section may not exceed the lesser of:

(i) $2,500 per dwelling; or

(ii) the amount of property tax imposed on the dwelling.

(4) The Mayor and City Council of Baltimore City may establish, by law:

(i) subject to paragraph (3) of this subsection, the amount and application of the credit under this section;

(ii) the duration of the credit;

(iii) additional eligibility requirements for the low–income employee to qualify for the credit;

(iv) regulations and procedures for the application and uniform processing of requests for the credit under this subsection; and

(v) any other provisions necessary to carry out this subsection.

§9–305.

(a) The governing body of Baltimore County shall grant a property tax credit under this section against the county tax imposed on:

(1) real property that is owned by the Harford Park Improvement Association of Baltimore County, Incorporated;

(2) property that is:

(i) owned by the Lynch Point Improvement Association, Incorporated, of River Drive in Baltimore County; and

(ii) used only for a community or civic purpose;

(3) real property that is owned by the Chestnut Ridge Improvement Association of Baltimore County, Incorporated; and

(4) property that is:

(i) owned by the Relay Improvement Association of Baltimore County, Incorporated; and

(ii) used only for a community, civic, educational, recreational, or library purpose, if the use is not contingent on the payment of compensation, unless the compensation is used only to improve or maintain the property.

(b) The governing body of Baltimore County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(1) real property that is owned by the Twin River Protective and Improvement Association, Incorporated;

(2) real property that is owned by the Bowley's Quarters Improvement Association, Incorporated;

(3) real property that is owned by the Oliver Beach Improvement Association, Incorporated;

(4) real property that is owned by the Baltimore County Game and Fish Association;

(5) real property that is owned by the Eastfield Civic Association, Incorporated;

(6) real property that is owned by the Rockaway Beach Improvement Association;

(7) real property that is used only for and occupied by the Fire Museum of Maryland;

(8) real property that is owned by the Carney Rod and Gun Club;

(9) real property improvements that promote business redevelopment, for which credit:

(i) the governing body shall define by law what improvements are eligible; and

(ii) on reassessment by the supervisor, the governing body shall determine the credit as a percentage of the actual cost of the improvements;

(10) each unit of a condominium (as both are defined in § 11–101 of the Real Property Article), if:

(i) the governing body of the county consults with the council of unit owners (as defined in § 11–101 of the Real Property Article) of the condominium; and

(ii) the council of unit owners provides services or maintains common elements (as defined in § 11–101 of the Real Property Article) that would otherwise be the responsibility of the county;

(11) dwellings, the land on which the dwelling is located and other improvements to the land if:

(i) the dwelling is in a homeowners' association where the dwelling has a declaration of covenants or restrictive covenants that may be enforced by an association of members;

(ii) the governing body of the county consults with the homeowners' association; and

(iii) the governing body of the county determines that the homeowners' association provides services that would otherwise be the responsibility of the county;

(12) real property that is:

(i) owned by the Rosa Ponselle Charitable Foundation, Incorporated, known as "Villa Pace"; and

(ii) not exempt under this article;

(13) agricultural land, not including any improvements, that is located in an agricultural preservation district;

(14) real property that is owned by Friends of the Oliver House, Inc.;

(15) real property that is owned by the Bird River Beach Community Association, Inc.;

(16) real property that is owned by Harewood Park Community League, Inc.;

(17) real property that is owned by any other nonprofit community association, civic league or organization, or recreational or athletic organization;

(18) personal property that is owned by the Genesee Valley Outdoor Learning Center, Inc.;

(19) real property that is owned by The Maryland State Game and Fish Protective Association, Inc.;

(20) real property or personal property that is owned or leased by Leadership Through Athletics, Inc., provided that, in the case of real property leased by Leadership Through Athletics, Inc., the amount of the credit shall accrue to Leadership Through Athletics, Inc.;

(21) real property that is owned by the Bowerman–Loreley Beach Community Association, Inc.;

(22) real property that is owned by Civic League of Inverness, Inc.; and

(23) real property that is owned by the Rosewald Beach Civic League.

(c) (1) A property owner is not eligible for a tax credit for agricultural land under subsection (b) of this section, and any such tax credit granted shall terminate, if the property owner:

(i) sells an easement over the property to the State; or

(ii) terminates the agricultural preservation district agreement.

(2) A property owner who has been granted a property tax credit for agricultural land under subsection (b) of this section, and who subsequently terminates the agricultural preservation district agreement shall be liable for:

(i) all property taxes that the owner would have been liable for if a property tax credit had not been granted under this section for a period not exceeding 10 years from the date that the agricultural preservation agreement was recorded;

(ii) interest on the total tax liability as required under § 14–605 of this article; and

(iii) a tax penalty as required under § 14–703 of this article.

(d) (1) The governing body of Baltimore County or of a municipal corporation in Baltimore County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on property owned by the Gunpowder Valley Conservancy, Inc. that is used:

(i) to assist in the preservation of a natural area;

(ii) for the environmental education of the public;

(iii) generally to promote conservation; or

(iv) for the maintenance of:

1. a natural area for public use; or

2. a sanctuary for wildlife.

(2) The governing body of Baltimore County or of a municipal corporation in Baltimore County may provide, by law, for:

(i) the amount and duration of the property tax credit under this section; and

(ii) any other provision necessary to carry out the property tax credit under this section.

(e) (1) Subject to paragraphs (2) and (3) of this subsection, the governing body of Baltimore County may grant, by law, a property tax credit against the county property tax imposed on residential real property that is:

(i) located on the following roads:

1. Allender Road south of Pulaski Highway;

2. Baker Road;

3. Beach Road;

4. Bowerman Road;

5. Loreley Road;

6. Loreley Beach Road;

7. Loreley Beach Road east;

8. Loreley Beach Road north;

9. Opie Road;

10. Maple Avenue;

11. Mayberry Road; or

12. Stevens Road south of Pulaski Highway;

(ii) determined by the governing body of Baltimore County to have been impacted adversely by its proximity to the Eastern Sanitary Landfill Solid Waste Management Facility;

(iii) used as the principal residence of a homeowner as defined in § 9–105(a)(7) of this title; and

(iv) owned by the homeowner before June 1, 2013.

(2) (i) In this paragraph, "environmental surcharges" means tipping fees that:

1. are paid to Baltimore County by the user of a refuse disposal system; and

2. have been set at a specific amount per ton of refuse that is deposited at the site of the disposal system.

(ii) A property tax credit may not be granted under paragraph (1) of this subsection unless the governing body of Baltimore County approves the use of environmental surcharges to offset the total amount of the property tax credits granted.

(3) A property tax credit under paragraph (1) of this subsection may not be granted for any taxable year beginning after the date on which Baltimore County ceases to allow the transfer of solid waste from Harford County at the Eastern Sanitary Landfill Solid Waste Management Facility.

(f) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Combined income" has the meaning stated in § 9–104 of this title.

(iii) "Dwelling" has the meaning stated in § 9–104 of this title.

(iv) "Homeowner" has the meaning stated in § 9–104 of this title.

(2) Subject to paragraph (4) of this subsection, the governing body of Baltimore County shall grant a property tax credit under this subsection against the county property tax imposed on a dwelling that is owned by a homeowner who:

(i) is at least 70 years old; and

(ii) qualifies to receive either the credit allowed under § 9–104 of this title or the local supplement under § 11–2–111 of the Baltimore County Code.

(3) For each taxable year, the credit under this subsection equals 50% of the sum of the amounts awarded under § 9–104 of this title and § 11–2–111 of the Baltimore County Code.

(4) A homeowner shall be eligible for the credit under this subsection if:

(i) the homeowner, in the homeowner's application for the credit allowed under § 9–104 of this title or the local supplement under § 11–2–111 of the Baltimore County Code, demonstrates that at least one individual who owns and resides in the dwelling is at least 70 years old;

(ii) the homeowner has resided in the dwelling for the preceding 10 years;

(iii) the combined income of the homeowner does not exceed 150% of the federal poverty level; and

(iv) with the exception of §§ 9–104 and 9–105 of this title and § 11–2–111 of the Baltimore County Code, the homeowner does not receive any other property tax credit provided by Baltimore County.

(5) (i) Except as provided in subparagraph (ii) of this paragraph, the credit allowed under this subsection shall be applied automatically each year to the property tax due from an eligible homeowner.

(ii) A homeowner may elect not to receive the credit under this subsection.

(iii) If, in accordance with subparagraph (ii) of this paragraph, a homeowner elects not to receive the credit under this subsection, the homeowner may receive any other property tax credit provided by Baltimore County for which the homeowner is eligible.

(6) (i) The Department is responsible for administrative duties that relate to the application and determination of eligibility for a property tax credit under this subsection.

(ii) Neither the Department nor the county may require a homeowner to file a separate application in order to receive the credit under this subsection.

(iii) The county:

1. shall reimburse the Department for the reasonable cost of administering the tax credit under this subsection; and

2. may provide, by law, for regulations and procedures for the application and uniform processing of requests for the tax credit under this subsection.

(g) (1) In this subsection, "dwelling" has the meaning stated in § 9–105 of this title.

(2) (i) Subject to subparagraph (ii) of this paragraph, the governing body of Baltimore County may grant, by law, a property tax credit against the county property tax imposed on a dwelling that is owned by an individual:

1. who has resided in the dwelling for at least 30 consecutive years;

2. whose combined income, as defined in § 9–104 of this title, does not exceed $60,000; and

3. who is at least 65 years old.

(ii) The amount of the tax credit granted under this subsection shall equal 100% of any increase in the property tax imposed on the dwelling that is attributable to a county property tax rate that exceeds $1.10 for each $100 of assessment.

(3) The governing body of Baltimore County may establish, by law:

(i) the duration of the tax credit;

(ii) additional eligibility criteria for the tax credit;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the tax credit.

(h) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Combined income" has the meaning stated in § 9–104 of this title.

(iii) "Dwelling" has the meaning stated in § 9–104 of this title.

(iv) "Hardship" means:

1. an illness or accident–related injury of a homeowner or a member of the homeowner's immediate family; or

2. a property casualty event at a homeowner's dwelling.

(v) "Homeowner" has the meaning stated in § 9–104 of this title.

(2) The governing body of Baltimore County may grant, by law, a property tax credit against the county property tax imposed on a dwelling that is owned by a homeowner whose combined income exceeds $60,000 if the homeowner demonstrates that:

(i) the homeowner was denied the property tax credit under § 9–104 of this title for having a combined income that exceeds $60,000;

(ii) the homeowner suffered a hardship in the calendar year that precedes the year in which the homeowner applies for the credit;

(iii) the homeowner paid or incurred expenses relating to the hardship that resulted in significant financial distress for the homeowner; and

(iv) the homeowner's combined income would not have exceeded $60,000 if not for expenses related to the hardship.

(3) The homeowner shall include, in the form required by the governing body of the county, an itemized list of all sources of income and expenses of the homeowner, including expenses related to the hardship.

(4) The governing body of Baltimore County may establish, by law:

(i) the amount and duration of the tax credit;

(ii) additional eligibility criteria for the tax credit;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the tax credit.

(i) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Eligible construction" means construction of a new supermarket or any substantial renovation of an existing supermarket.

(iii) "Supermarket" means a grocery store that has:

1. all major food departments, including produce, meat, seafood, dairy, and canned and packaged goods;

2. more than 50% of total sales derived from food sales; and

3. more than 50% of total floor space dedicated to food sales.

(2) The governing body of Baltimore County may grant, by law, a property tax credit under this subsection against the county personal property tax imposed on personal property that is owned by a supermarket that:

(i) completes eligible construction; and

(ii) is located in a food desert retail incentive area.

(3) The governing body of Baltimore County shall, by law, designate what constitutes a food desert retail incentive area for purposes of the tax credit under this subsection.

(4) A property tax credit granted under this subsection for a taxable year may not exceed the amount of property tax imposed on the personal property of a supermarket in that year.

(5) The governing body of Baltimore County may establish, by law:

(i) limits on the cumulative amount of property tax credits granted under this subsection;

(ii) additional limitations on the amount of the credit;

(iii) additional eligibility requirements for supermarkets to qualify for the tax credit under this subsection;

(iv) additional criteria for what constitutes eligible construction that may qualify a supermarket for the tax credit under this subsection; and

(v) any other provisions necessary to carry out this subsection.

§9–306.

(a) The governing body of Calvert County and of a municipal corporation in Calvert County shall grant a tax credit under this section against the county and municipal corporation property tax imposed on:

(1) real property that is owned by the Calvert Arundel Medical Facility, Incorporated; and

(2) agricultural land, not including any improvements, that is located in an agricultural preservation district.

(b) The governing body of Calvert County shall grant a property tax credit under this section against the county tax imposed on:

(1) real property that is:

(i) owned by a nonprofit community or civic improvement association or corporation; and

(ii) used only for a community, civic, educational, or library purpose, if:

1. unless the compensation is used only to improve or maintain the property, the use is not contingent on the payment of compensation; and

2. unless the compensation is used only to improve or maintain the property, failure to pay compensation is not a reason to deny admission to or use of the property;

(2) real property that is owned by the Calvert County Sportsmen's Club, Incorporated; and

(3) real property that is:

(i) located in the 2nd election district of Calvert County;

(ii) actually used for the Calvert County Fair; and

(iii) known as the Calvert County Fairgrounds.

(c) The governing body of Calvert County may grant, by law, a property tax credit under this section against the county property tax imposed on a building that is:

(1) located on land that qualifies for an agricultural use assessment; and

(2) used in connection with an activity that is recognized by the Department as an approved agricultural activity.

(d) The governing body of Calvert County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is:

(1) owned by the Huntingtown Volunteer Fire Department and Rescue Squad, Incorporated; and

(2) leased to the United States Postal Service for use as a post office.

(e) The governing body of Calvert County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is owned by the Calvert Post No. 85, the American Legion Department of Maryland, Incorporated.

(f) (1) The governing body of Calvert County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is owned by members of volunteer fire and rescue companies.

(2) The governing body of Calvert County may provide, by law, for:

(i) the amount and duration of the tax credit under this subsection; and

(ii) the criteria for qualifying for the tax credit under this subsection.

(g) (1) (i) Subject to subparagraph (ii) of this paragraph, the governing body of Calvert County may grant, by law, a property tax credit under this section against the county property tax imposed on real property owned by an expanding or new business that:

1. employs at least 25 new additional full–time employees, the salaries for which must be greater than the county annual average salary in the economic development target market sector, as determined by the county; and

2. acquires at least $2,500,000 in land, improvements to the land, or equipment in the county.

(ii) If the expanding or new business is engaged in the generation of electricity or liquefaction of natural gas, the credit under this section may be granted against the county property tax imposed on personal property, operating personal property, real property, or operating real property owned by the expanding or new business.

(2) The tax credit under this section shall be granted to:

(i) a business that owns the land and building it occupies within the county; or

(ii) any party responsible for paying the real property taxes on all or part of the land or building.

(3) The amount of the credit may not exceed 50% of the amount of property tax due in any taxable year.

(4) The governing body of Calvert County may define, fix, or limit the amount, terms, scope, and duration of any credit provided for or affirmed under this subsection.

(h) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Commerce zone" means a priority funding area in Calvert County designated by the governing body of Calvert County as a commerce zone.

(iii) "New or expanded premises" means commercial or industrial real property, including a building or part of a building that has not been previously occupied, where a business entity locates to conduct business.

(2) The governing body of Calvert County may grant, by law, a property tax credit under this section against the county property tax imposed on real property owned by a business entity that meets the requirements specified under this subsection.

(3) To qualify for a property tax credit under this subsection, a business entity shall obtain new or expanded premises in a commerce zone by purchasing newly constructed premises, constructing new premises, or causing new premises to be constructed.

(4) If a business entity meets the requirements under paragraph (3) of this subsection, the property tax credit granted under this subsection shall equal a percentage of the amount of county property tax imposed on the assessment of the new or expanded premises, as follows:

(i) 50% for each of the first 5 taxable years;

(ii) 25% in taxable years 6 and 7;

(iii) 15% in taxable years 8 through 10; and

(iv) 0% for each taxable year thereafter.

(5) The governing body of Calvert County may provide, by law, for:

(i) the specific eligibility requirements for the tax credit authorized under this subsection;

(ii) any additional limitations on eligibility for the credit; and

(iii) any other provision necessary to implement the credit.

§9–307.

(a) The governing body of Caroline County and of a municipal corporation in Caroline County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) property that is owned by the Eastern Shore Threshermen and Collectors Association, Incorporated;

(2) property that is owned by the Marshyhope Rod and Gun Club, Incorporated; and

(3) property that is:

(i) owned by the Maryland Ornithological Society, Incorporated; and

(ii) used only to:

1. protect, preserve, and perpetuate plants and wildlife that are unique to the area; and

2. teach, research, and specially study plants and wildlife that are unique to the area.

(b) The governing body of Caroline County may grant, by law, a property tax credit under this section against the county property tax imposed on property that is owned by the Community Civic League, Incorporated, at its day care center facility.

(c) (1) The governing body of Caroline County may grant, by law, a property tax credit not exceeding 75% of the county property tax imposed on agricultural land that:

(i) is included in an agricultural preservation district established under § 2–509 of the Agriculture Article; and

(ii) meets any additional requirements that the county governing body establishes.

(2) If a property tax credit is granted under this subsection and the agricultural preservation district agreement is subsequently terminated, the owner of the property who terminates the agreement is liable to Caroline County for a penalty equal to 5 times the amount of the credit provided for the most recent taxable year in which the credit was granted.

(3) The governing body of Caroline County may provide, by law, any procedural or enforcement provision necessary to carry out this subsection.

(d) (1) The governing body of Caroline County may grant, by law, a property tax credit against the county property tax imposed on personal property.

(2) A law adopted under paragraph (1) of this subsection may provide for:

(i) the amount of a credit;

(ii) the subclasses of personal property under § 8–101(c) of this article to which the credit applies; and

(iii) other provisions necessary to administer the credit.

(e) (1) The governing body of Caroline County may grant, by law, a property tax credit against the county property tax imposed on real property that:

(i) is owned by Caroline County Habitat for Humanity, Incorporated with the intention of relinquishing ownership in the immediate future;

(ii) is used exclusively for the purpose of rehabilitation and transfer to a private owner; and

(iii) is not occupied by administrative or warehouse buildings owned by Caroline County Habitat for Humanity, Incorporated.

(2) The Caroline County Habitat for Humanity, Incorporated shall submit an annual written report to the governing body of Caroline County documenting:

(i) all of Caroline County Habitat for Humanity, Incorporated's real property holdings in Caroline County; and

(ii) all transactions involving Caroline County Habitat for Humanity, Incorporated's real property holdings in Caroline County.

(3) The governing body of Caroline County may provide, by law, for:

(i) the amount of a property tax credit under this subsection;

(ii) the duration of a property tax credit under this subsection; and

(iii) any other provision necessary to carry out this subsection.

§9–308.

(a) (1) The governing body of Carroll County shall grant a property tax credit under this section against the county tax imposed on:

(i) real property that is:

1. owned by a nonprofit community or civic improvement association or corporation; and

2. used only for a community, civic, educational, or library purpose, if:

A. unless the compensation is used only to improve or maintain the property, the use is not contingent on the payment of compensation; and

B. unless the compensation is used only to improve or maintain the property, failure to pay compensation is not a reason to deny admission to or use of the property; and

(ii) real property on which an improvement is made to an existing structure that is located in a historic district.

(2) A property tax credit granted under paragraph (1)(ii) of this subsection shall be:

(i) the following percentage of the increase that is due to the improvement:

1. 100% of the increase in the assessment of the real property in the 1st and 2nd taxable years that the improved structure is subject to the county property tax;

2. 80% of the increase in the assessment of the real property in the 3rd taxable year that the improved structure is subject to the county property tax;

3. 60% of the increase in the assessment of the real property in the 4th taxable year that the improved structure is subject to the county property tax; and

4. 40% of the increase in the assessment of the real property in the 5th taxable year that the improved structure is subject to the county property tax; and

(ii) ended after the 5th taxable year that the improved structure is subject to county property tax.

(b) (1) The governing body of Carroll County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) real property that is:

1. owned by the Maryland Jaycees Foundation, Incorporated, of Carroll County; and

2. located at 602 Johahn Drive in Westminster, Maryland; and

(ii) real property that is:

1. leased by the Sykesville Little League, Incorporated;

2. located east of Obrecht Road in the 5th election district of Carroll County; and

3. used only by the Sykesville Little League, Incorporated.

(2) A property tax credit granted under paragraph (1)(i) of this subsection shall continue in effect until the property is conveyed.

(c) (1) The governing body of Carroll County may grant, by law, a property tax credit against the county property tax imposed on real property used as a principal residence and owned by certain classes of individuals, as specified by the governing body of Carroll County, who are at least 65 years old and who are of limited income.

(2) The governing body of Carroll County may provide, by law, for:

(i) eligibility criteria for the credit under this subsection;

(ii) the amount and duration of the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the credit under this section.

(d) (1) The governing body of Carroll County may grant, by law, a property tax credit against the county property tax imposed on real property that is:

(i) located in designated geographic regions of the county;

(ii) owned by specified classes of persons; and

(iii) renovated, upgraded, or rehabilitated in accordance with eligibility criteria established by the county.

(2) The governing body of Carroll County, by law, may:

(i) specify the geographic areas of the county, classes of owners, and types of improvements to property eligible for the tax credit;

(ii) establish the amount and duration of the tax credit;

(iii) establish eligibility criteria for the tax credit; and

(iv) provide for any other provision necessary to carry out the tax credit under this section.

(e) (1) The governing body of Carroll County may grant, by law, a property tax credit against the county property tax imposed on property on which a person installs environmentally friendly or "green" technologies, including conserving water, incorporating recycled or recyclable materials, and incorporating renewable and energy efficient power generation.

(2) The governing body, by law, may:

(i) set the amount of the tax credit;

(ii) establish eligibility criteria for the tax credit;

(iii) establish the type of work that shall qualify for the tax credit;

(iv) establish the type of environmental technologies that will qualify for the tax credit; and

(v) set forth regulations and procedures for the application and uniform processing of requests for the tax credit.

(f) (1) In this subsection, "independent living retirement community" means a community or facility for the aged that:

(i) 1. provides continuing care as defined in § 10–401 of the Human Services Article;

2. is licensed as a related institution under Title 19, Subtitle 3 of the Health – General Article;

3. is certified by the Department of Aging; and

4. is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code or is owned or operated by a person that is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code; or

(ii) offers an age–restricted life occupancy agreement and requires payment of an entrance fee.

(2) The governing body of Carroll County or of a municipal corporation in Carroll County may grant, by law, a tax credit against the county or municipal corporation property tax imposed on that portion of the real property owned by an independent living retirement community that is used as housing units.

(3) The governing body of Carroll County or of a municipal corporation in Carroll County may provide, by law, for:

(i) the amount and duration of the tax credit under this subsection;

(ii) additional eligibility criteria for the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit under this subsection; and

(iv) any other provision necessary to carry out the tax credit under this subsection.

(4) If the governing body of Carroll County or of a municipal corporation in Carroll County authorizes a tax credit under this subsection, the full benefit of the tax credit shall be assigned to residents of the independent living retirement community.

§9–309.

(a) The governing body of Cecil County and of a municipal corporation in Cecil County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) property that is owned by the Society for the Preservation of Maryland Antiquities, Incorporated; and

(2) property that is owned by the Friends of the Library of Cecil County, Maryland, Incorporated.

(b) The governing body of Cecil County or of a municipal corporation in Cecil County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on:

(1) property that is owned by the Upper Chesapeake Watershed Association and is used:

(i) to assist in the preservation of a wild nature area;

(ii) to establish a nature reserve or other protected area; or

(iii) generally to promote conservation;

(2) property that is owned by an incorporated, nonprofit fire company or rescue squad, if the property:

(i) is leased for more than 60 days during any 12–month period under a contractual agreement for the operation of the fire company's fire hall; and

(ii) would qualify for the exemption under § 7–209 of this article if leased for not more than 60 days during any 12–month period; and

(3) property that:

(i) is owned by:

1. a little league organization in Cecil County; or

2. a nonprofit organization that allows a little league organization of Cecil County to use their property for youth amateur athletics; and

(ii) is actually used exclusively for the purposes of a little league organization of Cecil County.

(c) (1) The governing body of a municipal corporation in Cecil County may grant, by law, a property tax credit under this section against the municipal corporation property tax imposed on residential real property that is:

(i) owned by an individual serving as a member of a volunteer fire company as defined under § 3–1101 of the Courts and Judicial Proceedings Article;

(ii) occupied as the principal residence of an individual serving as a member of a volunteer fire company as defined under § 3–1101 of the Courts and Judicial Proceedings Article; and

(iii) located within the jurisdiction of the municipal corporation.

(2) The municipal corporation may provide, by law, for:

(i) the amount of a property tax credit under this subsection;

(ii) the duration of a property tax credit under this subsection; and

(iii) any other provision necessary to carry out this subsection.

§9–310.

(a) The governing body of Charles County may grant, by law, a property tax credit under this section against the county tax imposed on:

(1) real property that is:

(i) owned by a nonprofit community or civic improvement association or corporation; and

(ii) used only for a community, civic, educational, recreational, or library purpose, if:

1. unless the compensation is used only to improve or maintain the property, the use is not contingent on the payment of compensation for admission; and

2. unless the compensation is used only to improve or maintain the property, failure to pay compensation is not a reason to deny admission to or use of the property;

(2) real property that is owned by the Greater Waldorf Jaycees, Incorporated;

(3) real property that is owned by the Southern Maryland Youth Organization, Incorporated;

(4) agricultural land, including any farm improvement, that is located in an agricultural preservation district;

(5) a building other than a tobacco barn that is:

(i) located on land that qualifies for an agricultural use assessment; and

(ii) used in connection with an activity that is recognized by the Department as an approved agricultural activity;

(6) real property that is owned by Habitat for Humanity or any charitable organization holding that property with the intention of relinquishing ownership in the immediate future for charitable purposes;

(7) subject to subsection (b) of this section, real property:

(i) that is located in a rural legacy area as defined in § 5–9A–02 of the Natural Resources Article; and

(ii) for which the property owner has sold the development rights under the Rural Legacy Program established under Title 5, Subtitle 9A of the Natural Resources Article; and

(8) subject to subsection (c) of this section, residential real property that is located in a designated targeted area and has been converted from a rental dwelling to an owner–occupied dwelling.

(b) The governing body of Charles County may provide for the conditions of eligibility and method of application for and the amount of the property tax credit authorized under subsection (a)(7) of this section.

(c) (1) The governing body of Charles County may, by law after a public hearing, designate as eligible for the tax credit under subsection (a)(8) of this section and the recordation tax exemption authorized under § 12–114 of this article geographically defined targeted areas of the county that the governing body determines are in transition from predominantly owner–occupied homes to predominantly rental dwellings.

(2) The governing body of Charles County may provide by law for:

(i) any criteria for eligibility, conditions, or restrictions for a credit authorized under subsection (a)(8) of this section;

(ii) provisions to define, fix, or limit the amount, terms, scope, and duration of a credit authorized under subsection (a)(8) of this section; and

(iii) any other provision appropriate to implement the credit authorized under subsection (a)(8) of this section.

(d) The governing body of Charles County may grant to new businesses locating in the county a county property tax credit for machinery and equipment used in manufacturing, assembling, processing, or refining products for sale or for new facilities in the generation of electricity and may define, fix, or limit the amount, terms, scope, and duration of any credit provided for or affirmed under this subsection.

(e) (1) To encourage the location and development of business operations and expansion of the employment base in Charles County, the governing body of Charles County and of a municipal corporation in Charles County may grant, by law, a property tax credit against the county and municipal corporation property tax imposed on any property owned or leased by a new or expanding business that creates 10 or more full–time jobs in an industry targeted for expansion by the Charles County Economic Development Commission.

(2) A tax credit granted under this subsection may not be granted for more than 10 years.

(f) (1) The governing body of Charles County may grant a property tax credit against the county property tax imposed on real property that was formerly used solely as a tobacco barn if the real property:

(i) is located on land that is subject to a tobacco buyout agreement; or

(ii) 1. is located on land that qualifies for an agricultural use assessment; and

2. is used in connection with an activity that is recognized by the Department as an approved agricultural activity.

(2) In authorizing a credit under this subsection, the governing body of the county may provide, by law, for:

(i) the amount of the credit;

(ii) the duration of the credit; and

(iii) any other provision necessary to administer the credit.

(g) (1) The governing body of Charles County may grant a property tax credit against the county property tax imposed on renovated or rehabilitated business real property located in a priority funding area as designated in Title 5, Subtitle 7B of the State Finance and Procurement Article.

(2) Except as otherwise provided in this subsection, the governing body of the county may provide, by law, for:

(i) the amount of the credit;

(ii) the duration of the credit; and

(iii) any other provision necessary to administer the credit.

(3) A tax credit under this subsection shall not exceed the amount of additional property tax assessed as a result of the renovation or rehabilitation.

(4) A tax credit under this subsection is available to a qualified property for no more than 5 years.

(h) (1) The governing body of Charles County may grant, by law, a property tax credit against the county property tax imposed on real property that:

(i) is owner–occupied;

(ii) was formerly owned by Habitat for Humanity of Charles County with the intention of relinquishing ownership;

(iii) was used by Habitat for Humanity of Charles County exclusively for the purpose of rehabilitation and transfer to a private owner; and

(iv) was transferred to a private owner who meets the criteria established by Habitat for Humanity of Charles County.

(2) The property tax credit shall equal:

(i) 100% of the county property tax for the first taxable year after the transfer of ownership;

(ii) 75% of the county property tax for the second taxable year after the transfer of ownership;

(iii) 50% of the county property tax for the third taxable year after the transfer of ownership;

(iv) 25% of the county property tax for the fourth taxable year after the transfer of ownership; and

(v) 0% of the county property tax for the fifth taxable year after the transfer of ownership and each taxable year thereafter.

(3) The governing body of Charles County may provide, by law, for any other provision necessary to carry out the property tax credit under this subsection.

(i) (1) The governing body of Charles County may grant, by law, a property tax credit against the county property tax imposed on real property that is subject to a perpetual conservation easement donated to the Conservancy for Charles County, Inc., or another qualified entity approved by the governing body.

(2) The property tax credit granted under this section shall:

(i) benefit the original grantor of the perpetual conservation easement;

(ii) be granted for the duration that the original grantor of the perpetual conservation easement continues to reside on the property subject to the easement;

(iii) terminate on transfer of the property subject to the conservation easement by the grantor; and

(iv) be applicable to preexisting conservation easements.

(3) The governing body of Charles County may provide, by law, for:

(i) the amount and duration of the property tax credit under this subsection; and

(ii) any other provision necessary to carry out the property tax credit under this subsection.

(j) (1) The governing body of Charles County may grant, by law, a property tax credit against the county property tax imposed on real property that is owned by and used as the principal residence of an individual who is at least 65 years old and receives any benefit under the Social Security Act.

(2) The governing body of Charles County may provide, by law, for:

(i) the amount and duration of the property tax credit under this subsection;

(ii) additional eligibility criteria for the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provisions necessary to carry out this subsection.

(k) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "New or expanded premises" means commercial or industrial real property, including a building or part of a building that has not been previously occupied, where a business entity locates to conduct business.

(iii) "Priority funding area" means an area in Charles County designated by the governing body of Charles County as a priority funding area for the purpose of the property tax credit under this subsection.

(2) The governing body of Charles County may grant, by law, a property tax credit under this subsection against the county property tax imposed on real property owned by a business entity that meets the requirements specified under this subsection.

(3) To qualify for a property tax credit under this subsection, a business entity shall obtain new or expanded premises in a priority funding area by purchasing newly constructed premises, constructing new premises, or causing new premises to be constructed.

(4) If a business entity meets the requirements under paragraph (3) of this subsection, the property tax credit granted under this subsection shall equal a percentage of the amount of county property tax imposed on the assessment of the new or expanded premises, as follows:

(i) 50% for each of the first 5 taxable years;

(ii) 25% in taxable years 6 and 7;

(iii) 15% in taxable years 8 through 10; and

(iv) 0% for each taxable year thereafter.

(5) The governing body of Charles County may provide, by law, for:

(i) the specific eligibility requirements for the tax credit authorized under this subsection;

(ii) any additional limitations on eligibility for the credit; and

(iii) any other provision necessary to implement the credit.

(l) (1) In this subsection, "emergency responder" means an individual who is an active or retired volunteer member of a fire, rescue, or emergency medical services company in Charles County.

(2) The governing body of Charles County may grant, by law, a property tax credit against the county property tax imposed on real property that is owned and occupied as the principal residence of an emergency responder or an unmarried surviving spouse of a deceased emergency responder if the federal adjusted gross income of the emergency responder or the unmarried surviving spouse for the immediately preceding taxable year is $150,000 or less.

(3) The governing body of Charles County may provide, by law, for:

(i) the amount and duration of the tax credit under this subsection;

(ii) additional eligibility criteria for the credit; and

(iii) any other provision necessary to implement the credit.

§9–311.

(a) The governing body of Dorchester County and of a municipal corporation in Dorchester County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) property that on July 1, 1969 was owned by the Women's Auxiliary of the Dorchester Memorial Hospital; and

(2) property that is owned by the Cambridge Little League, Incorporated.

(b) The governing body of Dorchester County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(1) property that is owned by the Cedar Meadows Rod and Gun Club, Incorporated; and

(2) property that is owned by the Cambridge Skeet and Gun Club, Incorporated.

(c) (1) To encourage the location of warehouse plant facilities or the expansion of existing warehouse plant facilities, the governing body of Dorchester County may grant, by law, a property tax credit under this section against the county property tax imposed on the real property of commercial warehouse plant facilities if:

(i) the property is used in connection with warehouse activities; and

(ii) the facilities have a minimum of 80,000 square feet of enclosed commercial warehouse space under a roof and within a building or buildings.

(2) A tax credit granted under this subsection may not be granted for more than 20 years.

(d) (1) The governing body of Dorchester County or of a municipal corporation in Dorchester County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax that is imposed on real property that is:

(i) owned by Habitat for Humanity of Talbot & Dorchester Counties, Inc. with the intention of relinquishing ownership in the immediate future;

(ii) used exclusively for the purpose of rehabilitation and transfer to a private owner; and

(iii) not occupied by administrative or warehouse buildings owned by Habitat for Humanity.

(2) Habitat for Humanity of Talbot & Dorchester Counties, Inc. shall submit an annual written report to the governing body of Dorchester County documenting:

(i) all of Habitat for Humanity of Talbot & Dorchester Counties, Inc.'s real property holdings in Dorchester County; and

(ii) all transactions involving Habitat for Humanity of Talbot & Dorchester Counties, Inc.'s real property holdings in Dorchester County.

(3) The governing body of Dorchester County or of a municipal corporation in Dorchester County may, by law:

(i) set the amount, terms, scope, and duration of a credit granted under paragraph (1) of this subsection; and

(ii) adopt any provision necessary to administer a credit granted under paragraph (1) of this subsection.

(e) The governing body of Dorchester County or of a municipal corporation in Dorchester County may grant, by law, a property tax credit under this section against county or municipal corporation property tax imposed on property that:

(1) is owned by the Chesapeake Audubon Society, Inc.; and

(2) is used solely for:

(i) the environmental education of the public; or

(ii) the maintenance of:

1. a natural area for public use; or

2. a sanctuary for wildlife.

(f) (1) The governing body of Dorchester County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) agricultural land that is subject to a nutrient management plan or that is developing a nutrient management plan for implementation;

(ii) agricultural land that:

1. is located in an agricultural preservation district; or

2. is subject to an agricultural land preservation easement or similar easement; or

(iii) forest land that is subject to a forest management plan or similar agreement.

(2) In establishing a tax credit under this subsection, the governing body of Dorchester County:

(i) shall develop criteria necessary to implement the credit; and

(ii) may specify the amount and duration of the credit, the qualification and application procedures for the credit, and any other requirement or procedure that the governing body considers appropriate.

§9–312.

(a) (1) The governing body of Frederick County and of a municipal corporation in Frederick County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on property that:

(i) is owned by the Frederick Optimist Boy's Foundation, Incorporated; and

(ii) is not under a lease or rented commercially.

(2) In paragraph (1) of this subsection, commercial renting does not include the operation of a parking lot.

(b) (1) The governing body of Frederick County shall grant a property tax credit under this section against the county tax imposed on:

(i) real property that is owned by the Emmitsburg Civic Association, Incorporated; and

(ii) real property on which an improvement is made to an existing structure that is located in a historic district.

(2) The governing body of Frederick County may provide, by law, for:

(i) the amount and duration of the tax credit under this subsection;

(ii) additional eligibility criteria for the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the credit under this subsection.

(c) (1) The governing body of Frederick County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) real property that is owned by Ruritan National;

(ii) real property that is owned by any Ruritan club that is affiliated with Ruritan National;

(iii) real property that is owned by a nonprofit community or civic association or corporation and is used only for:

1. a community, civic, educational, or recreational purpose; or

2. the conservation or preservation of wildlife; or

(iv) real property owned by the Audubon Society of Central Maryland, Inc. and appurtenant to the premises of the Audubon Society of Central Maryland, Inc., if the property is used only for:

1. the maintenance of a natural area for public use;

2. a sanctuary for wildlife;

3. the environmental education of the public; or

4. the general management of wildlife.

(2) Unless the compensation is used only to improve or maintain the real property, the use of the real property under paragraph (1)(iii) of this subsection may not be contingent on the payment of compensation.

(3) Unless the compensation is used only to improve or maintain the real property, the real property under paragraph (1)(iii) of this subsection may not be

granted a property tax credit if failure to pay compensation is a reason to deny admission to or use of the property.

(d) The governing body of Frederick County and of a municipal corporation in Frederick County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is:

(1) leased to the governing body of Frederick County or to the Frederick County Board of Education; and

(2) used exclusively for public school educational purposes.

(e) The governing body of Frederick County and of a municipal corporation in Frederick County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is:

(1) leased to a nonprofit school; and

(2) used exclusively for primary or secondary educational purposes.

(f) A taxpayer may apply for a property tax credit under this section on or before October 1 of the taxable year.

(g) (1) In this subsection, "agricultural preservation land" means:

(i) real property subject to an easement or other interest that is permanently conveyed or assigned to preserve the agricultural use of the real property; or

(ii) real property that the governing body of Frederick County has designated as being within an agricultural preservation district.

(2) The governing body of Frederick County may grant, by law, a property tax credit of up to 100% of any county property tax imposed on agricultural preservation land.

(3) The governing body of Frederick County may provide, by law, for any procedural or enforcement provisions necessary to carry out this subsection.

(4) Valuation and assessment of agricultural preservation land shall be made in the same manner as any other real property in the county.

(h) (1) The governing body of Frederick County may grant, by law, a property tax credit under this section against the county property tax imposed on a building that is:

(i) located on land that qualifies for an agricultural use assessment; and

(ii) used in connection with an activity that is recognized by the Department as an approved agricultural activity.

(2) The governing body of Frederick County:

(i) shall develop criteria necessary to implement the credit;

(ii) shall designate an agency to administer the credit; and

(iii) may specify:

1. the amount and duration of the credit;

2. the qualifications and application procedures for the credit; and

3. any other requirement or procedure for granting or administration of the credit.

(i) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Affiliate" means a person:

1. that directly or indirectly owns at least 80% of a business entity; or

2. at least 80% of which is owned, directly or indirectly, by a business entity.

(iii) "Business entity" means a person conducting a trade or business in the State that is subject to the State individual or corporate income tax or insurance premiums tax.

(iv) "Full–time position" means a position that:

1. requires at least 1,800 hours of an individual's time in a calendar year; and

2. pays at least 150% of the federal minimum wage.

(v) "New or expanded premises" means commercial or industrial real property, including a building or part of a building that has not been previously occupied, where a business entity or its affiliates locate to conduct business.

(vi) 1. "New permanent full–time position" means a position that is:

A. a full–time position of indefinite duration;

B. located in Frederick County;

C. newly created, as a result of the establishment or expansion of a business facility in the county; and

D. filled.

2. "New permanent full–time position" does not include a position that is:

A. created when an employment function is shifted from an existing business facility of the business entity or its affiliates located in Frederick County to another business facility of the same business entity or its affiliates, if the position does not represent a net new job in the county;

B. created through a change in ownership of a trade or business;

C. created through a consolidation, merger, or restructuring of a business entity or its affiliates, if the position does not represent a net new job in the county;

D. created when an employment function is contractually shifted from an existing business entity or its affiliates located in the county to another business entity or its affiliates, if the position does not represent a net new job in the county; or

E. filled for a period of less than 12 months.

(2) The governing body of Frederick County may grant, by law, a property tax credit against the county property tax imposed on real property owned or leased by a business entity that meets the requirements specified for the tax credit under this subsection.

(3) To qualify for a property tax credit under this subsection, before a business entity obtains the new or expanded premises or hires employees to fill the new permanent full–time positions at the new or expanded premises, the business entity shall provide written notification to the governing body of Frederick County stating:

(i) that the business entity intends to claim the property tax credit; and

(ii) when the business entity expects to obtain the new or expanded premises and hire the required number of employees in the new permanent full–time positions.

(4) To qualify for a property tax credit under this subsection, a business entity shall:

(i) obtain at least 2,500 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing previously unoccupied premises; and

(ii) employ at least five individuals in new permanent full–time positions during a 24–month period, during which period the business entity also must obtain and occupy the new or expanded premises.

(5) (i) Subject to subparagraph (ii) of this paragraph, if a business entity qualifies for the property tax credit under this subsection, the property tax credit shall equal a percentage of the amount of property tax imposed on the assessment of the new or expanded premises, as follows:

1. 40% in the 1st and 2nd taxable years;

2. 30% in the 3rd and 4th taxable years;

3. 20% in the 5th and 6th taxable years; and

4. 0% for each taxable year thereafter.

(ii) A property tax credit under this subsection may not be granted until the first taxable year in which the county property tax imposed on real property owned or leased by the business entity increases due to the business entity's qualifying investment in the new or expanded premises.

(6) The lessor of real property granted a property tax credit under this subsection shall reduce the amount of taxes for which a business entity is contractually liable under the lease agreement by the amount of any credit granted under this subsection for improvements made by the business entity.

(7) The governing body of Frederick County may provide, by law, for:

(i) any additional requirements for eligibility for a property tax credit authorized under this subsection;

(ii) any additional limitations on eligibility for the credit; and

(iii) any other provision appropriate to implement the credit.

(j) (1) Except as provided under paragraph (2) of this subsection, a property tax credit granted under this section shall continue until the property is conveyed.

(2) A property tax credit granted under subsection (d), (e), or (g) of this section shall continue as long as the property is in compliance with the terms of that subsection.

§9–313.

(a) The governing body of Garrett County and of a municipal corporation in Garrett County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) property that is:

(i) owned by the Maryland Ornithological Society, Incorporated; and

(ii) known as the Carey Run Sanctuary;

(2) property that is:

(i) owned by the Swanton Community Center, Incorporated;

(ii) known as the Swanton Community Center; and

(iii) used only for community, civic, or educational purposes;

(3) property that is:

(i) owned by the Crellin Community Center, Incorporated;

(ii) known as the Crellin Community Center; and

(iii) used only for community, civic, or educational purposes;

(4) property that is:

(i) owned by the Bittinger Community Center, Incorporated;

(ii) known as the Bittinger Community Center; and

(iii) used only for community, civic, or educational purposes; and

(5) property that is:

(i) owned by the Garrett County Agricultural Fair Association, Incorporated; and

(ii) used only for the purposes of the Association.

(b) (1) The governing body of Garrett County may grant, by law, a property tax credit under this section against the county property tax imposed on property that is:

(i) leased and occupied by the Grantsville Volunteer Fire Department; and

(ii) used only for the purposes of the Grantsville Volunteer Fire Department.

(2) The governing body of Garrett County may grant, by law, a property tax credit for property that is:

(i) owned by the Board of Governors of Garrett County Memorial Hospital; and

(ii) undeveloped, for use by the hospital, or under a lease with the hospital to provide health care related services on a nonprofit basis.

(3) The governing body of Garrett County may grant, by law, a property tax credit under this section against the county property tax imposed on property that is owned by the Avilton Community Association, Inc.

(4) (i) The governing body of Garrett County may grant, by law, a property tax credit under this section of up to 100% of the county property tax imposed on agricultural land that is located in an agricultural land preservation district.

(ii) In authorizing a credit under subparagraph (i) of this paragraph, the governing body of the county may:

1. set the amount and duration of the tax credit;

2. adopt any provision necessary to administer the credit; and

3. provide any restriction or condition considered desirable on the credit.

(iii) In establishing a credit under subparagraph (i) of this paragraph, the governing body of the county may provide that a property owner who has been granted a property tax credit under this paragraph and who subsequently withdraws the property from the agricultural land preservation district shall be liable for:

1. all property taxes that the owner would have been liable for on the withdrawn property if the property tax credit had not been granted; and

2. interest at a rate established by the governing body of the county on the property tax liability under item 1 of this subparagraph.

(5) (i) The governing body of Garrett County may grant, by law, a property tax credit under this section against the county property tax imposed on property that is owned by the Garrett County, Maryland, Community Action Committee, Inc. or by an entity in which the Garrett County, Maryland, Community Action Committee, Inc. has a controlling interest.

(ii) In authorizing a credit under subparagraph (i) of this paragraph, the governing body of the county may:

1. set the amount and duration of the tax credit;

2. limit eligibility for the tax credit to particular parcels of property; and

3. adopt any other provision necessary to administer the credit.

(6) (i) The governing body of Garrett County may grant, by law, a property tax credit under this section against the property tax imposed on property that is owned by Adventure Sports Center, Inc.

(ii) In authorizing a credit under subparagraph (i) of this paragraph, the governing body of the county may:

1. set the amount and duration of the tax credit;

2. provide for additional eligibility criteria for the tax credit;

3. provide for regulations and procedures for the administration of requests for the tax credit; and

4. adopt any other provision necessary to administer the credit.

(7) (i) The governing body of Garrett County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is new construction or an improvement to real property owned or occupied by a commercial or industrial business that:

1. is currently or will be doing business in Garrett County;

2. will employ additional full–time local employees in the county by the second year in which the credit is allowed, not including any employee filling a job created when a job function is shifted from an existing location in the State to the location of the new construction or improvement; and

3. makes a substantial investment in Garrett County.

(ii) The governing body of Garrett County, by law, may:

1. specify the minimum investment or job creation requirements for qualification for the credit;

2. designate an agency to administer the credit; and

3. specify:

A. the amount and duration of the credit;

B. application procedures for the credit; and

C. any additional criteria for eligibility or any other requirement or procedure for the granting or administration of the credit that the governing body considers appropriate.

(iii) A property tax credit under this paragraph may not exceed the amount of county property tax imposed on the increase in assessment that is due to the new construction or improvements made to the property of the person applying for the credit.

(iv) If a property tax credit under this paragraph is granted for property leased or rented by a commercial or industrial business:

1. the amount of the tax credit allowed shall pass through to the commercial or industrial business that conducts the activity that qualifies for the credit; and

2. the term of the tax credit may not exceed the term of the lease and may not exceed 10 years.

(8) The governing body of Garrett County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is:

(i) owned by the Society for the Preservation of St. Ann Mission; and

(ii) known as St. Ann Mission.

(c) (1) The governing body of Garrett County or of a municipal corporation in Garrett County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on:

(i) personal property that is:

1. used for residential rental purposes; and

2. located in a building that is used for residential rental purposes; and

(ii) part or all of the real and personal property of any distribution and warehousing facility that:

1. locates in the county or municipal corporation; or

2. expands in the county or municipal corporation.

(2) The law adopted under paragraph (1)(i) of this subsection shall specify:

(i) the qualifications for the tax credit;

(ii) the amount of the tax credit; and

(iii) the duration of the tax credit.

(3) The governing body of Garrett County or of a municipal corporation in Garrett County may:

(i) set, by law, the amount and duration of the tax credit under paragraph (1)(ii) of this subsection;

(ii) adopt any provision necessary to administer the credit under paragraph (1)(ii) of this subsection; and

(iii) provide any other restriction or condition considered desirable on the credit under paragraph (1)(ii) of this subsection.

§9–314.

(a) (1) The governing body of Harford County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) real property that is:

1. owned by any incorporated community association:

A. whose membership is limited to voluntary subscriptions of the residents of the community or development; and

B. that may not assess a fee against a resident or property owner based on property values; and

2. used as a public park, playground, or picnic area;

(ii) property that is:

1. owned by the Habonim Camp Association Company, Incorporated;

2. used only for the purposes of the Habonim Camp Association Company; and

3. in excess of the property exempted under § 7–202 of this article;

(iii) property that is owned by the Maryland Ornithological Society, Incorporated;

(iv) real property that is:

1. owned by the North Harford Game and Fish Association, Incorporated;

2. located on Wheeler School Road; and

3. used only for the purposes of the association;

(v) real property that is:

1. owned by the trustees of the Ladew Topiary Gardens;

2. located on Jarrettsville Pike;

3. used only for the purposes of the Ladew Topiary Gardens; and

4. in excess of the property exempted under § 7–202 of this article;

(vi) real property that:

1. is used primarily for an agricultural purpose; and

2. does not have an agricultural use assessment;

(vii) real property that is:

1. used primarily for amateur sports events; and

2. owned by the Havre de Grace Little League, Incorporated;

(viii) real property, only after July 1, 1988, that:

1. is located in an agricultural district under an original or renewed agreement to be located within an agricultural district; or

2. becomes subject to an agricultural preservation easement that has been conveyed to the Maryland Agricultural Land Preservation Foundation;

(ix) real property that is:

1. owned by a Harford County volunteer fire or ambulance company;

2. held for the future use as a station or substation site, as approved by the Harford County Volunteer Fire and Ambulance Association in their 5–year plan; and

3. not exempt under § 7–209 of this article;

(x) subject to the condition established under paragraph (4) of this subsection, owner–occupied residential real property:

1. A. whose structural boundaries are within 1,000 feet of a refuse disposal system for which an active permit has been issued to the Harford County government under § 9–204 of the Environment Article;

B. that was completed on or before June 1, 2010, and is located within the boundaries of Trimble Road, Magnolia Road, Fort Hoyle Road, and Aberdeen Proving Ground property; or

C. that was completed on or before June 1, 2010, and is located within 250 feet to the west of Fort Hoyle Road, south of parcel no. 01015060, and north of Aberdeen Proving Ground property; and

2. that is determined by the governing body of Harford County to have been adversely impacted by its proximity to the refuse disposal system;

(xi) real property, only after July 1, 1993, that:

1. is located in the Harford County Agricultural District in accordance with the Harford County Agricultural Land Preservation Program under Chapter 60 of the Harford County Code; or

2. becomes subject to an agricultural preservation easement that has been conveyed to Harford County in accordance with the Harford County Agricultural Land Preservation Program, under Chapter 60 of the Harford County Code;

(xii) subject to paragraph (6) of this subsection, real property that is new construction or a substantial improvement to the real property of a commercial or industrial business that:

1. is or will be doing business in Harford County; and

2. will employ at least 12 additional full–time local employees by the second year the credit is allowed;

(xiii) subject to paragraph (7) of this subsection, real property:

1. that is located in a Rural Legacy Area as defined in § 5–9A–02 of the Natural Resources Article; and

2. for which the property owner has sold the development rights under the Rural Legacy Program established under Title 5, Subtitle 9A of the Natural Resources Article; and

(xiv) real property:

1. that is adjacent to property that is:

A. operated as a family farm; and

B. located in the Harford County Agricultural District or is subject to an agricultural preservation easement that has been conveyed to Harford County or to the Maryland Agricultural Land Preservation Foundation;

2. that was subdivided from the adjacent property, withdrawn from the agricultural district or agricultural easement, and conveyed to a child of the owner of the adjacent property under a child lot exclusion to build a home on the property; and

3. the owner of which:

A. is a child of the owner of the adjacent property; and

B. continues to help operate the adjacent property as a family farm.

(2) The governing body of Harford County shall adopt procedures that govern the amount of and the conditions of eligibility and method of application for the property tax credit granted under paragraph (1)(vi) of this subsection. The amount of the property tax credit may not be more than the amount of property tax on real property that is associated with the difference between the actual assessment of the land and the maximum allowable agricultural use assessment that the Department establishes.

(3) (i) A property owner is not eligible for a tax credit for real property under paragraph (1)(viii) of this subsection, and any such tax credit granted shall terminate, if the property owner terminates the agricultural district agreement or the agricultural preservation easement.

(ii) A property owner who has been granted a property tax credit for real property under paragraph (1)(viii) of this subsection, and who subsequently terminates the agricultural preservation district agreement or the agricultural preservation easement shall be liable for all property taxes that the owner would have been liable for if a property tax credit had not been granted under this section for a period not exceeding 3 years from the date that the agricultural district agreement was recorded.

(4) (i) In this paragraph, "environmental surcharges" means tipping fees that:

1. are paid to the county by the user of a refuse disposal system; and

2. have been set at a specific amount per ton of refuse that is deposited at the site of the disposal system.

(ii) A property tax credit may not be granted under paragraph (1)(x) of this subsection unless the governing body of Harford County approves the use of environmental surcharges to offset the total amount of the property tax credits granted.

(5) (i) A property owner is not eligible for a tax credit for real property under paragraph (1)(xi) of this subsection and any such tax credit granted shall terminate if the property owner withdraws the property from the Harford County Agricultural District.

(ii) A property owner who has been granted a property tax credit for real property under paragraph (1)(xi) of this subsection, and who subsequently withdraws the property from the Agricultural Preservation District shall be liable for all property taxes that the owner would have been liable for if a property tax credit had not been granted.

(6) Except as otherwise provided in this paragraph, the governing body of Harford County may:

(i) provide for the amount of and the conditions of eligibility and method of application for the property tax credit authorized under paragraph (1)(xii) of this subsection;

(ii) review compliance with the conditions of the property tax credit annually; and

(iii) eliminate the credit for any taxpayer if the terms and conditions of the credit are not met.

(7) The governing body of Harford County may provide for the conditions of eligibility and method of application for and the amount of the property tax credit authorized under paragraph (1)(xiii) of this subsection.

(b) (1) The governing body of Harford County or of a municipal corporation in Harford County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is:

(i) owned by any person who:

1. constructs a housing structure; or

2. operates a housing project;

(ii) used for a housing structure or project which may contain a community service facility;

(iii) a structure constructed or substantially rehabilitated under § 8 of the United States Housing Act of 1937 primarily for occupancy by elderly individuals;

(iv) receiving rent subsidy; and

(v) operated on a nonprofit or limited distribution basis.

(2) The governing body of Harford County and of a municipal corporation in Harford County, where applicable, shall make an agreement with the owner of property for which a property tax credit is granted under paragraph (1) of this subsection to pay negotiated amounts instead of all county or municipal corporation property taxes. Where applicable, the amount paid shall be apportioned between Harford County and the municipal corporation.

(c) (1) The governing body of a municipal corporation in Harford County may grant, by law, a property tax credit under this section against the municipal corporation property tax imposed on real property located within the jurisdiction of the municipal corporation that is owned and occupied as the principal residence of an individual serving as a member of a:

(i) volunteer fire company;

(ii) volunteer ambulance company; or

(iii) ladies' auxiliary of a volunteer fire company or volunteer ambulance company.

(2) The municipal corporation may provide, by law, for:

(i) the amount of a property tax credit under this subsection;

(ii) the duration of a property tax credit under this subsection; and

(iii) any other provision necessary to carry out this subsection.

(d) (1) In this subsection, "facility" means a continuing care facility for the aged that:

(i) provides continuing care as defined in § 10–401 of the Human Services Article;

(ii) is licensed as a related institution under Title 19, Subtitle 3 of the Health – General Article;

(iii) is certified by the Department of Aging; and

(iv) is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code or is owned or operated by a person that is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code.

(2) The governing body of Harford County or of a municipal corporation in Harford County may grant, by law, a tax credit against the county or municipal corporation property tax imposed on property that is:

(i) owned or operated by a facility or by a person that is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code; and

(ii) available for use in connection with a facility.

(3) The governing body of Harford County or of a municipal corporation in Harford County may provide, by law, for:

(i) the amount and duration of the tax credit under this subsection;

(ii) additional eligibility criteria for the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the credit under this subsection.

§9–315.

(a) The governing body of Howard County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(1) property that:

(i) is owned by any community association;

(ii) is used for community, civic, educational, library, or park purposes; and

(iii) is not a swimming pool, tennis court, or similar recreational facility;

(2) real property that is subject to the county's agricultural land preservation program;

(3) subject to subsections (b) and (c) of this section, real property that is new construction or an improvement to real property owned or occupied by a commercial or industrial business that:

(i) is currently or will be doing business in Howard County;

(ii) will employ at least 12 additional full–time local employees by the second year in which the credit is allowed, not including any employee filling a job created when a job function is shifted from an existing location in the State to the location of the new construction or improvement; and

(iii) makes a substantial investment in Howard County, which may be:

1. the acquisition of a building, land, or equipment that totals at least $2,000,000; or

2. the creation of 10 positions with salaries greater than the current average annual wage in Howard County;

(4) subject to subsection (b) of this section, real property that is used as a therapeutic riding facility by a nonprofit organization that:

(i) is exempt from taxation under § 501(c)(3) of the Internal Revenue Code;

(ii) provides services to disabled individuals; and

(iii) has at least 85% of its clients who are disabled individuals;

(5) subject to subsection (b) of this section, owner–occupied residential real property that is jointly owned by an individual and the Howard County Housing Commission; and

(6) subject to subsection (b) of this section, residential or commercial real property that has suffered damage caused by a natural disaster.

(b) In establishing a tax credit under subsection (a)(3) through (6) of this section, the governing body of Howard County:

(1) shall develop criteria necessary to implement the credit;

(2) shall designate an agency to administer the credit; and

(3) may specify:

(i) the amount and duration of the credit;

(ii) the qualifications and application procedures for the credit; and

(iii) any other requirement or procedure for the granting or administration of the credit that the governing body considers appropriate.

(c) (1) A property tax credit under subsection (a)(3) of this section may not exceed the amount of county property tax imposed on the increase in assessment that is due to the new construction or improvements made to the property of the person applying for the credit.

(2) If a property tax credit under subsection (a)(3) of this section is granted for property leased or rented by a commercial or industrial business allowed under this subsection:

(i) the amount of the tax credit allowed shall pass through to the commercial or industrial business that conducts the activity that qualifies for the credit; and

(ii) the term of the tax credit may not exceed the term of the lease and may not exceed 10 years.

(d) (1) The governing body of Howard County may grant, by law, a property tax credit against the county property tax imposed on real property that is:

(i) located in designated geographic regions of the county;

(ii) owned by specified classes of persons; and

(iii) renovated, upgraded, or rehabilitated in accordance with eligibility criteria established by the county.

(2) The governing body of Howard County, by law, may:

(i) specify the geographic areas of the county, classes of owners, and types of improvements to property eligible for the tax credit;

(ii) establish the amount and duration of the tax credit;

(iii) establish additional eligibility criteria for the tax credit; and

(iv) provide for any other provision necessary to carry out the tax credit under this section.

(e) (1) In this subsection, "dwelling" has the meaning stated in § 9–105 of this title.

(2) (i) Subject to subparagraph (ii) of this paragraph, the governing body of Howard County may grant, by law, a property tax credit against the county property tax imposed on a dwelling that is owned by an individual:

1. who has resided in the dwelling for at least 30 consecutive years;

2. whose combined income, as defined in § 9–104 of this title, does not exceed $75,000; and

3. who is at least 65 years old.

(ii) The amount of the tax credit granted under this subsection shall equal 100% of any increase in the property tax imposed on the dwelling that is attributable to a county property tax rate that exceeds $1.014 for each $100 of assessment.

(3) The governing body of Howard County may establish, by law:

(i) the duration of the tax credit;

(ii) additional eligibility criteria for the tax credit;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the tax credit.

§9–316.

(a) (1) In this section the following words have the meanings indicated.

(2) "Commerce zone" means a priority funding area in Kent County designated by the governing body of Kent County as a commerce zone.

(3) "New, improved, or expanded premises" means commercial or industrial real property, including a building or part of a building that has not been previously occupied, where a business entity locates to conduct business.

(b) The governing body of Kent County may grant, by law, a property tax credit under this section against the county property tax imposed on real property owned by a business entity that meets the requirements specified under this section.

(c) To qualify for a property tax credit under this section, a business entity shall obtain new, improved, or expanded premises in a commerce zone by:

(1) purchasing newly constructed premises;

(2) constructing new premises;

(3) causing new premises to be constructed; or

(4) improving existing premises for occupation by the business entity.

(d) If a business entity meets the requirements under subsection (c) of this section, the property tax credit granted under this section shall equal a percentage of the amount of county property tax imposed on the assessment of the new, improved, or expanded premises, as follows:

(1) 50% for each of the first 5 taxable years;

(2) 25% in taxable years 6 and 7;

(3) 15% in taxable years 8 through 10; and

(4) 0% for each taxable year thereafter.

(e) The governing body of Kent County may provide, by law, for:

(1) the specific eligibility requirements for the tax credit authorized under this section;

(2) any additional limitations on eligibility for the credit; and

(3) any other provision necessary to implement the credit.

§9–317.

(a) The governing body of Montgomery County and of a municipal corporation in Montgomery County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) personal property that is owned by a nonprofit, nonstock cooperative housing corporation; and

(2) real property that is:

(i) leased, if the payment to the lessor under the lease is limited to:

1. interest;

2. amortization of the mortgage; and

3. expenses that do not include profit or return to the lessor of investment in the real property;

(ii) used only as a theater that contains at least 175 seats; and

(iii) used by a nonprofit community theatrical organization that, except for any clerical or maintenance employee, does not have any paid officer, director, or employee. The organization may be required by the governing body to pay an annual charge for any actual public service rendered.

(b) (1) The governing body of Montgomery County or of a municipal corporation in Montgomery County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on:

(i) real property that is:

1. a structure or project constructed or substantially rehabilitated under § 8 of the United States Housing Act of 1937 primarily for occupancy by elderly individuals;

2. receiving a rent subsidy;

3. operated on a nonprofit or limited dividend distribution basis; and

4. A. located in an area designated by the governing body of Montgomery County or of the municipal corporation in Montgomery County as a commercial revitalization district; and

B. on application of the property owner, certified by the Montgomery County Department of Housing and Community Development or the municipal corporation department responsible for certification, whichever is applicable, as meeting the qualifications for a tax credit pursuant to the criteria established by Montgomery County or a municipal corporation in Montgomery County under paragraph (3) of this subsection; and

(ii) personal property that is used to improve, replace, or maintain a road, common area, or common facility that is:

1. owned by a nonprofit organization that is formed only to improve, replace, or maintain the road, common area, or common facility;

2. established under a town sector, planned retirement community zone, or planned residential community zone of an enacted county zoning ordinance; and

3. dedicated for the use of all the residents without payment of fee or admission.

(2) The amount of a property tax credit granted under paragraph (1)(i)4 of this subsection may not exceed 25% of the county property tax or the municipal corporation property tax due on the property.

(3) The governing body of Montgomery County or of the municipal corporation shall specify the qualifications for eligibility and conditions of certification for the tax credit under paragraph (1)(i)4 of this subsection.

(4) On application of the governing body of a municipal corporation and approval by the governing body of Montgomery County, the property eligible for

a credit against the municipal corporation property tax, under this subsection, shall also receive a credit against the county property tax.

(c) (1) The governing body of Montgomery County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) real property on which an improvement is made to an existing structure in a neighborhood improvement plan area that the governing body of Montgomery County determines to be a special target area for residential, business, and community redevelopment because of blight or deterioration;

(ii) real property that is:

1. owned by Bannockburn Cooperators, Incorporated;

2. leased by Bannockburn Community Club, Incorporated; and

3. used only for community, civic, educational, and recreational purposes and to promote social welfare; or

(iii) real property for which the county has determined there are development impact tax credits that exceed the amount that can be used under county law.

(2) A property tax credit granted under paragraph (1)(i) of this subsection shall be:

(i) a percentage of the actual cost of the improvements as the governing body of Montgomery County determines for the 1st 4 taxable years that the improved property is subject to county property tax; and

(ii) not allowed after the 1st 4 taxable years that the improved property is subject to property tax.

(d) The governing body of Montgomery County may grant, by law, a property tax credit under this section against the county property tax imposed on the portion of real property that is owned by the American Association of Blood Banks, Incorporated or leased by the American Association of Blood Banks, Incorporated under a lease of 50 years or more and that is necessary for and actually used exclusively for the charitable or educational purposes of that organization.

(e) (1) In this subsection, "dwelling unit" means a building or portion of a building providing complete living facilities for not more than one family, including, at a minimum, facilities for cooking, sanitation, and sleeping.

(2) The governing body of Montgomery County may grant, by law, to a total of 1,500 dwelling units, a property tax credit against the county property tax imposed on owner-occupied, residential real property that is purchased from July 1, 2000 through June 30, 2002, in specific geographic areas of Montgomery County that:

(i) contain not fewer than 50 dwelling units; and

(ii) are designated by the County Executive of Montgomery County for participation in a demonstration project for neighborhood preservation and stabilization.

(3) In order to qualify for the credit under this subsection:

(i) for the 12-month period immediately prior to purchasing the property, the individual's principal residence may not have been located in the geographic areas designated under this subsection, unless the individual was not an owner of the property that was the individual's principal residence; and

(ii) the residential real property must have been purchased in conformance with regulations adopted by the County Executive that are approved by the County Council.

(4) The property tax credit shall equal:

(i) 40% of the county property tax for each of the first 5 taxable years after the purchase of the real property;

(ii) 35% of the county property tax for the 6th taxable year after the purchase of the real property;

(iii) 30% of the county property tax for the 7th taxable year after the purchase of the real property;

(iv) 25% of the county property tax for the 8th taxable year after the purchase of the real property;

(v) 20% of the county property tax for the 9th taxable year after the purchase of the real property;

(vi) 15% of the county property tax for the 10th taxable year after the purchase of the real property; and

(vii) 0% of the county property tax for each taxable year thereafter.

(5) The property tax credit shall first apply to the taxable year beginning after the date of the purchase of the eligible real property.

(6) The governing body of Montgomery County may provide, by law, for any other provision necessary to carry out the property tax credit under this subsection.

(7) (i) The County Executive of Montgomery County shall hold a public hearing prior to the final designation of the geographic areas under paragraph (2) of this subsection.

(ii) Designation of geographic areas shall be made by regulation adopted by the County Executive and approved by the County Council.

(iii) A geographic area may be designated within a municipality only with the approval of the municipality's governing body.

(8) The Montgomery County Department of Finance shall provide, on an annual basis to those individuals qualifying for the property tax credit under this subsection, a statement certifying qualification for the property tax credit and the amount of the property tax credit being granted. The statement may be provided on or with the annual property tax bill or in another manner as chosen by the local government.

(9) In order to be eligible for a property tax credit under this subsection, an individual shall apply for the credit within 6 months after the title to the residential property has been transferred to the individual.

(10) (i) The property tax credit granted under this subsection terminates on the sale of the residential real property granted the credit.

(ii) A property owner who purchases residential real property for which the property tax credit has been terminated under this paragraph may apply for, and may be granted, a separate property tax credit if the property owner and the residential real property otherwise meet the conditions of this subsection.

(f) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Eligible business entity" means a person who operates or conducts a trade or business on qualified enterprise zone property but does not own the qualified enterprise zone property.

(iii) "Qualified enterprise zone property" means real property that:

1. A. is not used for residential purposes;

B. is used in a trade or business by an eligible business entity;

C. is located in an enterprise zone that is designated under Title 5, Subtitle 7 of the Economic Development Article; and

D. is eligible for the property tax credit under § 9–103 of this title;

2. A. is located within the area encompassed by the Burtonsville Crossroads Neighborhood Plan developed by the Montgomery County Planning Department;

B. is zoned for commercial or commercial/residential mixed use development; and

C. has had improvements made on it on or before January 1, 2025; or

3. A. is located within the area encompassed by the Glenmont Shopping Center area, the Metro Station/Layhill Triangle Block, the Winexburg Manor Apartments area, the Glenmont Forest Apartments area, and the Privacy World area of the Glenmont Sector Plan developed by the Montgomery County Planning Department;

B. is zoned for commercial or commercial/residential mixed use development; and

C. has had improvements made on it on or before January 1, 2025.

(2) Subject to paragraphs (4) and (5) of this subsection, the governing body of Montgomery County or of a municipal corporation in Montgomery County

may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on:

(i) improvements made by an eligible business entity to qualified enterprise zone property; and

(ii) personal property owned by an eligible business entity located on qualified enterprise zone property.

(3) (i) The governing body of Montgomery County or of a municipal corporation in Montgomery County may provide, by law, for:

1. the amount and duration of a credit under this subsection;

2. additional eligibility criteria for a credit under this subsection; and

3. any other provision necessary to carry out a credit under this subsection.

(ii) The governing body of Montgomery County or of a municipal corporation in Montgomery County shall define, by law, the improvements eligible for a credit under this subsection.

(4) The lessor of real property granted a credit under paragraph (2)(i) of this subsection shall reduce the amount of taxes for which an eligible business entity is contractually liable under the lease agreement by the amount of any credit granted under paragraph (2)(i) of this subsection for improvements made by the eligible business entity.

(5) The lessor of real property that receives a credit under § 9–103 of this title may not be granted a credit under this subsection.

(g) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Benefit corporation" means a Maryland corporation that elects to be a benefit corporation and complies with Title 5, Subtitle 6C of the Corporations and Associations Article.

(iii) "Benefit limited liability company" means a Maryland limited liability company that elects to be a benefit limited liability company and complies with Title 4A, Subtitle 12 of the Corporations and Associations Article.

(2) The governing body of Montgomery County may grant, by law, a property tax credit under this subsection against the county property tax imposed on real or personal property that is:

(i) owned or leased by a benefit corporation or benefit limited liability company;

(ii) not used for residential purposes; and

(iii) used in a trade or business by a benefit corporation or benefit limited liability company.

(3) The governing body of Montgomery County may provide, by law, for:

(i) criteria for eligibility and certification for the tax credit;

(ii) the amount of the tax credit;

(iii) the duration of the tax credit, for a period not to exceed 10 years;

(iv) regulations and procedures for the application, certification, and uniform processing of requests for the tax credit;

(v) limited aggregate amounts of tax credits granted under this subsection; and

(vi) any other provision necessary to carry out the tax credit under this subsection.

(h) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Dwelling" has the meaning stated in § 9–105 of this title.

(iii) "Public safety officer" means:

1. a firefighter or an emergency medical technician employed full time by the Montgomery County Fire and Rescue Service;

2. a law enforcement officer employed full time by the Montgomery County Department of Police or by the Montgomery County Sheriff's Office;

3. a corrections officer employed full time by the Montgomery County Department of Correction and Rehabilitation; or

4. a firefighter or an emergency medical technician volunteering at the Montgomery County Fire and Rescue Service who is eligible for an annual stipend under the Length of Service Award Program.

(2) The governing body of Montgomery County may grant, by law, a property tax credit under this subsection against the county property tax imposed on a dwelling located in Montgomery County that is owned by a public safety officer if the public safety officer is otherwise eligible for the credit authorized under § 9–105 of this title.

(3) In any taxable year, the credit under this subsection may not exceed:

(i) $2,500 per dwelling; and

(ii) the amount of property tax imposed on the dwelling.

(4) (i) The Department shall be responsible for the administrative duties that relate to the application and determination of eligibility for the property tax credit under this subsection.

(ii) Montgomery County shall reimburse the Department for the reasonable cost of administering the credit under this subsection.

(5) The governing body of Montgomery County may establish, by law:

(i) subject to paragraph (3) of this subsection, the amount of the credit under this subsection;

(ii) the duration of the credit; and

(iii) additional eligibility requirements for public safety officers to qualify for the credit.

§9–318.

(a) The governing body of Prince George's County shall grant a property tax credit under this section against the county property tax imposed on:

(1) real property:

(i) owned by the Maryland Jaycees, Incorporated; and

(ii) used in the operation of a charitable nonprofit educational or rehabilitation institution of the kind that is exempted under § 7–202 of this article; and

(2) real property owned by the Prince George's County Chamber of Commerce Foundation, Inc., if the real property:

(i) is acquired on or after November 24, 1973; and

(ii) is not used for a commercial purpose.

(b) (1) The governing body of Prince George's County may grant, by law, a property tax credit under this section against county property tax imposed on:

(i) real property that is:

1. owned by a nonprofit community civic association or corporation; and

2. dedicated by plat or deed restriction to the use of the lot owners in the community, if the use is not contingent on the payment of:

A. dues to the association or corporation, unless dues are used only to improve or maintain the real property of the community; or

B. compensation for admission to or use of the real property, unless the compensation is used only to improve or maintain the real property of the community;

(ii) real property that is owned by the Piscataway Hills Citizens Association;

(iii) real property that is improved to promote housing, community redevelopment, and business revitalization;

(iv) real property used by the property owner to provide child care for the children of at least 25 employees;

(v) real property that is:

1. owned by the American Center for Physics, Inc.;

2. leased by the American Center for Physics, Inc. to affiliated societies; and

3. used only for nonprofit activities relating to the advancement and diffusion of the knowledge of physics and its application to human welfare;

(vi) subject to the condition established under paragraph (6) of this subsection, residential real property that is located within an area that the governing body determines is adversely impacted by its proximity to a refuse disposal system for which a permit has been issued under § 9–204 of the Environment Article;

(vii) real property that is owned by the Kettering–Largo–Mitchellville Boys and Girls Club; and

(viii) agricultural land, including any farm improvement used in connection with an activity that is recognized by the Department as an approved agricultural activity, that is subject to State or county agricultural land preservation programs.

(2) The amount of a property tax credit granted under paragraph (1)(iii) of this subsection is a percentage of the actual cost of the improvements as the governing body of Prince George's County determines after reassessment by the supervisor. The property tax credit may not be more than the increased tax that results from the improvements as the supervisor determines.

(3) A property tax credit granted under paragraph (1)(iii) of this subsection may not be granted for more than 5 years.

(4) The governing body of Prince George's County shall define the improvements that are eligible for a tax credit under paragraph (1)(iii) of this subsection.

(5) For purposes of the property tax credit granted under paragraph (1)(iv) of this subsection:

(i) at least 50% of the employees whose children receive child care shall be employed by the property owner;

(ii) in order to qualify for the tax credit, the property owner shall provide the child care in an area of the property that is set aside and dedicated by the property owner exclusively for the child care; and

(iii) the amount of the tax credit may not exceed $1,000 or the amount of the county property tax attributable to the area of the property used for child care due in a taxable year, whichever is less.

(6) (i) In this paragraph, "environmental surcharges" means tipping fees that:

1. are paid to the county by the user of a refuse disposal system; and

2. have been set at a specific amount per ton of refuse that is deposited at the site of the disposal system.

(ii) A property tax credit may not be granted under paragraph (1)(vi) of this subsection unless the governing body of Prince George's County approves the use of environmental surcharges to offset the total amount of the property tax credits granted.

(c) The governing body of Prince George's County may grant, by law, a property tax credit under this section against the county property tax or special district tax imposed on:

(1) property that is owned by the Chapel Hill Citizens' Association;

(2) property that is:

(i) owned by the Clinton Boys and Girls Club; and

(ii) used only for nonprofit athletic recreation;

(3) property that is owned by the East Pines Citizens' Association;

(4) property that is owned by the Lions Club of Bowie;

(5) property that is owned by the Prince George's Jaycees, Incorporated;

(6) property that is owned by the Suitland Civic Association, Incorporated;

(7) real property that is:

(i) owned by the Prince George's County Parks and Recreation Foundation; and

(ii) not used for a commercial purpose;

(8) property that is:

(i) owned by the Freestate Riding Club, Inc.; and

(ii) used only for nonprofit athletic recreation;

(9) property that is owned by a boys and girls club in Prince George's County that is chartered by the Prince George's County Boys and Girls Club, Incorporated;

(10) property that is owned by the Lake Arbor Foundation, Incorporated;

(11) property that is:

(i) owned by the George A. and Carmel D. Aman Memorial Trust; and

(ii) known as the George Washington House;

(12) property that:

(i) is owned by Crescent Cities Charities, Incorporated; and

(ii) is not exempt from taxation under Title 7 of this article; and

(13) property that is:

(i) owned by a nonprofit, tax–exempt community development corporation qualified under § 501(c)(3) of the Internal Revenue Code;

(ii) not used for a commercial purpose; and

(iii) located in Prince George's County on Maryland Route 202 at the intersection with St. Joseph's Drive.

(d) (1) The governing body of Prince George's County may grant, by law, a property tax credit against the county property tax imposed on owner–occupied, residential real property that is purchased from July 1, 2000 through June 30, 2002, specific to two geographic areas of Prince George's County that:

(i) contain up to 2,500 single–family dwellings in the aggregate; and

(ii) are designated by the County Executive of Prince George's County for participation in a demonstration project for neighborhood preservation and stabilization.

(2) In order to qualify for the credit under this subsection:

(i) for the 12–month period immediately prior to purchasing the property, the individual's principal residence may not have been located in the geographic areas designated under this subsection, unless the individual was not an owner of the property that was the individual's principal residence;

(ii) the designated geographic areas shall be located within two of the following areas:

1. a priority funding area, as defined in § 5–7B–02 of the State Finance and Procurement Article;

2. a revitalization tax credit district, as defined in § 10–235.02 established under the Prince George's County Code; or

3. an enterprise zone, as defined in § 5–701 of the Economic Development Article; and

(iii) the residential real property must have been purchased in conformance with a resolution adopted by the County Executive that is approved by the County Council.

(3) The property tax credit shall equal:

(i) 40% of the county property tax for each of the first 5 taxable years after the purchase of the real property;

(ii) 35% of the county property tax for the 6th taxable year after the purchase of the real property;

(iii) 30% of the county property tax for the 7th taxable year after the purchase of the real property;

(iv) 25% of the county property tax for the 8th taxable year after the purchase of the real property;

(v) 20% of the county property tax for the 9th taxable year after the purchase of the real property;

(vi) 15% of the county property tax for the 10th taxable year after the purchase of the real property; and

(vii) 0% of the county property tax for each taxable year thereafter.

(4) The property tax credit shall first apply to the taxable year beginning after the date of the purchase of the eligible real property.

(5) The governing body of Prince George's County may provide, by law, for any other provision necessary to carry out the property tax credit under this subsection.

(6) (i) The County Executive of Prince George's County shall hold a public hearing prior to the final designation of the geographic areas under paragraph (1) of this subsection.

(ii) Designation of geographic areas shall be made by a resolution adopted by the County Executive and approved by the County Council.

(7) The Prince George's County Department of Finance shall provide, on an annual basis to those individuals qualifying for the property tax credit under this subsection, a statement certifying qualification for the property tax credit and the amount of the property tax credit being granted. The statement may be provided on or with the annual property tax bill or in another manner as chosen by the local government.

(8) In order to be eligible for a property tax credit under this subsection, an individual shall apply for the credit at least 6 months after the title to the residential property has been transferred to the individual.

(9) The property tax credit granted under this subsection terminates on the sale of the property.

(e) (1) A property owner who has been granted a property tax credit for agricultural land under subsection (b)(1)(viii) of this section and subsequently withdraws the property from a State or county agricultural land preservation program shall be liable for:

(i) all property taxes for which the property owner would have been liable if a property tax credit for agricultural land had not been granted under subsection (b)(1)(viii) of this section for a period not exceeding 10 years from the date that the property was subject to a State or county agricultural land preservation program;

(ii) interest on the total tax liability as required under § 14–605 of this article; and

(iii) a penalty as required under § 14–703 of this article.

(2) The governing body of Prince George's County may provide, by law, any procedural or enforcement provision necessary to carry out this subsection.

(f) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Green business" means a business that is certified by Prince George's County and:

1. primarily distributes, manufactures, markets, or sells green products;

2. primarily provides services relating to green products; or

3. primarily provides research and development relating to green products.

(iii) "Green product" means a product that:

1. is energy or water efficient;

2. uses healthy, nontoxic materials;

3. is made from recycled or renewable resources; or

4. makes current products more energy efficient.

(2) The governing body of Prince George's County may grant, by law, a property tax credit against the county property tax imposed on real or personal property that is owned or leased by a certified green business.

(3) The governing body of Prince George's County may provide, by law, for:

(i) criteria for eligibility and certification for the tax credit under this subsection;

(ii) the amount and duration of the tax credit under this subsection;

(iii) regulations and procedures for the application, certification, and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the tax credit.

(4) (i) The County Council and County Executive of Prince George's County shall jointly appoint an advisory board to provide advice to the governing body of Prince George's County regarding the implementation of paragraph (3) of this subsection.

(ii) A majority of the members of the advisory board shall be affiliated with a nonprofit environmental organization in the State.

(g) (1) The governing body of a municipal corporation in Prince George's County may, by resolution, establish revitalization districts for the purpose of encouraging redevelopment.

(2) The governing body of a municipal corporation in Prince George's County may grant, by law, a property tax credit against the municipal corporation property tax imposed on real property located within a revitalization district established under this subsection that is:

(i) constructed or substantially redeveloped in conformance with adopted eligibility criteria; and

(ii) reassessed as a result of the construction or redevelopment at a higher value than that assessed prior to the construction or redevelopment.

(3) The governing body of a municipal corporation in Prince George's County may provide by law:

(i) criteria for the designation of a revitalization district;

(ii) criteria for eligibility for the property tax credit under this subsection;

(iii) the amount and duration of the tax credit;

(iv) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(v) any other provision necessary to carry out the tax credit under this subsection.

(h) (1) The governing body of Prince George's County may grant, by law, a property tax credit against the county property tax imposed on residential or commercial real property equipped with a security camera system on the exterior of the property for the purpose of crime prevention or reduction.

(2) (i) Subject to subparagraph (ii) of this paragraph, the amount of the property tax credit granted under this subsection is equal to the purchase price of each security camera, excluding the costs of installation and accessories.

(ii) For any taxable year, the property tax credit may not exceed the lesser of:

1. $200 per security camera; or

2. $500 for a residential property or $750 for a commercial property.

(3) The governing body of Prince George's County may provide, by law, for:

(i) additional eligibility criteria for the property tax credit under this subsection, including security camera specifications;

(ii) the duration of the tax credit;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the tax credit under this subsection.

(i) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Eligible construction" means construction of a new grocery store or any substantial renovation of an existing grocery store.

(iii) "Grocery store" means a store that has:

1. all major food departments, including produce, meat, seafood, dairy, and canned and packaged goods;

2. more than 50% of total sales derived from food sales; and

3. more than 50% of total floor space dedicated to food sales.

(2) The governing body of Prince George's County may grant, by law, a property tax credit under this subsection against the county property tax imposed on personal property that is owned by a grocery store that:

(i) completes eligible construction; and

(ii) is located in a healthy food priority area.

(3) The governing body of Prince George's County shall, by local ordinance, designate what constitutes a healthy food priority area for purposes of the tax credit under this subsection, based on the following factors:

(i) the availability of fresh fruit, vegetables, and other healthy foods in the area;

(ii) the income levels of local residents;

(iii) the transportation needs of local residents;

(iv) the availability of public transportation;

(v) any comments from municipal governments, if applicable; and

(vi) any other factors that the governing body considers relevant.

(4) A property tax credit granted under this subsection for a taxable year may not exceed the amount of property tax imposed on the personal property of a grocery store in that year.

(5) The governing body of Prince George's County may establish, by law:

(i) limits on the cumulative amount of property tax credits granted under this subsection;

(ii) additional limitations on the amount of the credit;

(iii) additional eligibility requirements for grocery stores to qualify for the tax credit under this subsection;

(iv) additional criteria for what constitutes eligible construction that may qualify a grocery store for the tax credit under this subsection; and

(v) any other provisions necessary to carry out this subsection.

(j) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Dwelling" has the meaning stated in § 9–105 of this title.

(iii) 1. "Eligible employee" means an employee of the Prince George's County Public School System who has been a full–time employee for at least 2 years and owns a dwelling in Prince George's County.

2. "Eligible employee" does not include individuals who supply goods or services to the Prince George's County Public School System on a contractual basis.

(2) The governing body of Prince George's County may grant, by law, a property tax credit under this subsection against the county property tax imposed on a dwelling that is owned by an eligible employee who:

(i) did not reside in the county before purchasing the dwelling for which the credit is claimed; and

(ii) is otherwise eligible for the credit authorized under § 9–105 of this title.

(3) For any taxable year, the credit under this subsection may not exceed the lesser of:

(i) $2,500; or

(ii) the amount of the property tax imposed on the dwelling.

(4) The governing body of Prince George's County may establish, by law:

(i) subject to paragraph (3) of this subsection, the amount of the credit under this subsection;

(ii) the duration of the credit;

(iii) additional eligibility requirements for eligible employees to qualify for the credit;

(iv) procedures for the application and uniform processing of requests for the credit; and

(v) any other provision necessary to carry out this subsection.

§9–319.

(a) The governing body of Queen Anne's County and the governing body of a municipal corporation in Queen Anne's County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on property that is not used for a commercial purpose and is owned by:

(1) the Ingleside Community Group;

(2) the Lions Club of Kent Island, Maryland, Inc.;

(3) the Price Community Club, Incorporated;

(4) the Ruthsburg Community Club, Incorporated;

(5) the Sudlersville Community Betterment Club, Incorporated;

(6) the Templeville Community Association, Incorporated;

(7) the William T. Roe Memorial Range; or

(8) the Kent Island Volunteer Fire Department, Incorporated.

(b) The governing body of Queen Anne's County shall grant a property tax credit under this section against the county property tax imposed on real property that is:

(1) owned by the Maryland Jaycees, Incorporated; and

(2) used as the principal office of the organization.

(c) The governing body of Queen Anne's County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is:

(1) owned by the Wildfowl Trust of North America, Inc.; and

(2) used solely for:

(i) the maintenance of a natural area for public use;

(ii) a sanctuary for wildlife;

(iii) the environmental education of the public;

(iv) scientific research in ornithology; or

(v) the general management of wildlife.

(d) (1) The governing body of Queen Anne's County may grant, by law, a property tax credit under this section against the county property tax imposed on real property owned by a business that:

(i) makes significant real property improvements in the county, including construction, reconstruction, rehabilitation, or expansion of a nonresidential structure; and

(ii) employs at least 12 new additional full–time employees.

(2) In each year following the year in which the nonresidential real property improvements are completed and assessed, a tax credit granted under this subsection may not exceed:

(i) 80% of the amount of the county property tax imposed on the increased assessment in the first taxable year;

(ii) 60% of the amount of the county property tax imposed on the increased assessment in the second taxable year;

(iii) 40% of the amount of the county property tax imposed on the increased assessment in the third taxable year;

(iv) 20% of the amount of the county property tax imposed on the increased assessment in the fourth taxable year; and

(v) 0% of the amount of the county property tax imposed on the increased assessment in the fifth taxable year and all taxable years after the fifth taxable year.

(3) The governing body of Queen Anne's County may further define, fix, or limit the amount, terms, scope, and duration of any credit authorized under this subsection.

(e) (1) The governing body of Queen Anne's County may grant, by law, a property tax credit under this subsection against the county property tax imposed on real property that is owned by a foster parent of a child.

(2) The governing body of Queen Anne's County may provide, by law, for:

(i) eligibility criteria for the tax credit under this subsection;

(ii) the amount and duration of the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the credit under this subsection.

§9–320.

(a) (1) The governing body of St. Mary's County may grant, by law, a property tax credit under this section against county property tax imposed on:

(i) property that is:

1. owned by the St. George's Island Improvement Association, Incorporated; and

2. used only for community or civic purposes;

(ii) real property that is owned by the Seventh District Optimist Youth Foundation, Inc.;

(iii) real property, including any improvements, that is subject to a State or a county land preservation program; and

(iv) real property that:

1. was formerly used solely as a tobacco barn; and

2. is subject to a tobacco buyout agreement.

(2) In authorizing a credit under paragraph (1)(iv) of this subsection, the governing body of the county may provide, by law, for:

(i) the amount of the credit;

(ii) the duration of the credit; and

(iii) any other provision necessary to administer the credit.

(b) (1) The governing body of St. Mary's County may grant, by law, a property tax credit against the county property tax imposed on personal property.

(2) A law adopted under paragraph (1) of this subsection may provide for:

(i) the amount of a credit;

(ii) the subclasses of personal property under § 8–101(c) of this article to which the credit applies; and

(iii) other provisions necessary to administer the credit.

(c) (1) The governing body of St. Mary's County or of a municipal corporation in St. Mary's County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is:

(i) leased to a nonprofit school; and

(ii) used exclusively for primary or secondary educational purposes.

(2) A property tax credit granted under this subsection shall continue as long as the property is in compliance with the terms of this subsection.

(d) (1) To encourage the location and development of business operations and expansion of the employment base in St. Mary's County, the governing body of St. Mary's County or of a municipal corporation in St. Mary's County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on any property owned or leased by a new or expanding business that creates 10 or more full–time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission.

(2) A tax credit granted under this subsection may not be granted for more than 10 years.

(e) (1) The governing body of St. Mary's County may grant, by law, a property tax credit against the county property tax imposed on commercial real property that:

(i) is located in an eligible area of the county; and

(ii) has had improvements made on the property on or after July 1, 2020.

(2) (i) The amount of the credit authorized under this subsection may not exceed 25% of the county property tax assessed on the property.

(ii) The duration of the credit authorized under this subsection may not exceed 10 years.

(3) If the governing body of St. Mary's County authorizes a credit under this subsection, the governing body of St. Mary's County:

(i) may provide, by law, for:

1. subject to paragraph (2)(i) of this subsection, the amount of the credit;

2. subject to paragraph (2)(ii) of this subsection, the duration of the credit; and

3. any other provision necessary to administer the credit; and

(ii) shall define, by law, the areas in the county and the improvements to the property that are eligible for a credit authorized under this subsection.

§9–321.

The governing body of Somerset County may grant, by law, a property tax credit under this section against county property tax imposed on real property owned by the Crisfield Heritage Foundation, Inc.

§9–322.

(a) The governing body of Talbot County and the governing body of a municipal corporation in Talbot County shall grant a property tax credit under this section against the county and municipal corporation property tax imposed on:

(1) property that:

(i) is owned by the Academy of the Arts, Easton, Maryland, Incorporated;

(ii) is used primarily for the purpose of the organization; and

(iii) is not used primarily for revenue or income–producing purposes;

(2) property that is:

(i) owned by the Bailey's Neck Park Association; and

(ii) used for charitable purposes;

(3) property that is owned by the Maryland Ornithological Society, Incorporated, or any of its chapters; and

(4) property that is owned by the Tuckahoe Steam and Gas Association, Incorporated.

(b) The governing body of Talbot County or of a municipal corporation in Talbot County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on:

(1) property that is owned by the Chesapeake Audubon Society, Inc. and is used solely for:

(i) the environmental education of the public; and

(ii) the maintenance of:

1. a natural area for public use; or

2. a sanctuary for wildlife; and

(2) personal property that is:

(i) owned by Chesapeake Wildlife Heritage, Incorporated;

(ii) used primarily for the purpose of the organization; and

(iii) not used primarily for revenue or income–producing purposes.

(c) (1) The governing body of Talbot County may grant, by law, a property tax credit under this section against the county property tax imposed on real property that is:

(i) owned or occupied by a commercial or industrial business that is currently or will be doing business in Talbot County; and

(ii) new construction or a substantial improvement to the real property.

(2) The governing body of Talbot County may:

(i) set, by law, the amount, terms, scope, and duration of a credit granted under paragraph (1) of this subsection;

(ii) adopt any provision necessary to administer a credit granted under paragraph (1) of this subsection; and

(iii) provide for any other restriction or condition considered desirable on the granting of a credit under paragraph (1) of this subsection.

(d) (1) The governing body of Talbot County or of a municipal corporation in Talbot County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on personal property.

(2) The governing body of Talbot County or of a municipal corporation in Talbot County may, by law:

(i) set the amount, terms, scope, and duration of a credit granted under paragraph (1) of this subsection;

(ii) designate subclasses of personal property under § 8–101(c) of this article to which a credit granted under paragraph (1) of this subsection applies;

(iii) provide for any restriction or condition considered desirable on the granting of a credit under paragraph (1) of this subsection; and

(iv) adopt any other provisions necessary to administer a credit granted under paragraph (1) of this subsection.

(e) (1) The governing body of Talbot County or of a municipal corporation in Talbot County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax that is imposed on real property that is:

(i) owned by Habitat for Humanity of Talbot & Dorchester Counties, Inc. with the intention of relinquishing ownership in the immediate future;

(ii) used exclusively for the purpose of rehabilitation and transfer to a private owner; and

(iii) not occupied by administrative or warehouse buildings owned by Habitat for Humanity.

(2) Habitat for Humanity of Talbot & Dorchester Counties, Inc. shall submit an annual written report to the governing body of Talbot County documenting:

(i) all of Habitat for Humanity of Talbot & Dorchester Counties, Inc.'s real property holdings in Talbot County; and

(ii) all transactions involving Habitat for Humanity of Talbot & Dorchester Counties, Inc.'s real property holdings in Talbot County.

(3) The governing body of Talbot County or of a municipal corporation in Talbot County may, by law:

(i) set the amount, terms, scope, and duration of a credit granted under paragraph (1) of this subsection; and

(ii) adopt any provision necessary to administer a credit granted under paragraph (1) of this subsection.

§9–323.

(a) (1) The governing body of Washington County or of a municipal corporation in Washington County may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on:

(i) new construction or on an improvement to existing property;

(ii) property that is:

1. owned by a nonprofit civic association;

2. used only for a community, civic, educational, or library purpose; and

3. unless the compensation is used only to improve or maintain the property, use of the property is not contingent on the payment of compensation for admission to or use of the property and failure to pay compensation is not a reason to deny admission to or use of the property;

(iii) real property that is owned by the Women's Club of Hagerstown, Inc.;

(iv) property that is owned by the Rohrersville Cornet Band of Washington County;

(v) real property that is owned and occupied as the principal residence of an individual serving as:

1. a volunteer firefighter;

2. a member of the fire police; or

3. an emergency medical technician; or

(vi) real property that is owned by the Hagerstown Soccer Club, Inc.

(2) The law adopted under paragraph (1)(i) of this subsection shall specify:

(i) the qualifications for the tax credit;

(ii) the amount of the property tax credit, based on a percentage of the cost of any new construction or of any improvement to existing property, and not based on the increase in the assessment; and

(iii) the duration of the tax credit.

(3) In authorizing a credit under paragraph (1)(v) of this subsection, the governing body of the county or municipal corporation may provide, by law, for:

(i) the amount of the credit;

(ii) the duration of the credit; and

(iii) any other provision necessary to administer the credit.

(b) (1) The governing body of Washington County shall grant a property tax credit under this section against the county property tax imposed on:

(i) property that is owned by the District 15 Civic Association, Incorporated, of Big Pool, Maryland; and

(ii) real property on which an improvement is made to an existing structure that is located in a historic district.

(2) A property tax credit granted under paragraph (1)(ii) of this subsection shall be:

(i) the following percentage of the increase that is due to the improvement:

1. 100% of the increase in the assessment of the real property in the 1st and 2nd taxable years that the improved structure is subject to the county property tax;

2. 80% of the increase in the assessment of the real property in the 3rd taxable year that the improved structure is subject to the county property tax;

3. 60% of the increase in the assessment of the real property in the 4th taxable year that the improved structure is subject to the county property tax; and

4. 40% of the increase in the assessment of the real property in the 5th taxable year that the improved structure is subject to the county property tax; and

(ii) ended after the 5th taxable year that the improved structure is subject to county property tax.

(c) The governing body of Washington County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(1) personal property that is owned by Mid–East Milk Lab Services, Incorporated; and

(2) real property that is subject to the county's agricultural land preservation program.

(d) (1) In this subsection, "qualifying business" means an industrial or commercial business that is or will be doing business in Washington County, employing five or more full–time employees on a regular basis, and that is initially building or making substantial improvements or otherwise undertaking new construction work.

(2) Notwithstanding § 9–301(b) of this subtitle and subject to paragraph (4) of this subsection, the governing body of Washington County may grant to a qualifying business a property tax credit against all or part of the county property tax levied on real or personal property of the qualifying business for a period not exceeding 5 years.

(3) A property tax credit granted under this subsection may phase in the payment of county property taxes over the period of the credit.

(4) The governing body of Washington County may grant a property tax credit under this subsection only at a public meeting. The decision of the governing body shall be included in its minutes.

(e) (1) The governing body of Washington County may grant a property tax credit against the county property tax imposed on renovated or rehabilitated business real property located in a priority funding area as designated in Title 5, Subtitle 7B of the State Finance and Procurement Article.

(2) Except as otherwise provided in this subsection, the governing body of the county may provide, by law, for:

(i) the amount of the credit;

(ii) the duration of the credit; and

(iii) any other provision necessary to administer the credit.

(3) A tax credit under this subsection may not exceed the amount of additional property tax assessed as a result of the renovation or rehabilitation.

(4) A tax credit under this subsection is available to a qualified property for no more than 5 years.

(f) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Affiliate" means a person:

1. that directly or indirectly owns at least 80% of a business entity; or

2. at least 80% of which is owned, directly or indirectly, by a business entity.

(iii) "Business entity" means a person conducting a trade or business in the State that is subject to the State individual or corporate income tax or insurance premiums tax.

(iv) "Full–time position" means a position requiring at least 840 hours of an individual's time during at least 24 weeks in a 6–month period.

(v) "New or expanded premises" means commercial or industrial real property, including a building or part of a building that has not been previously occupied, where a business entity or its affiliates locate to conduct business.

(vi) 1. "New permanent full–time position" means a position that is:

A. a full–time position of indefinite duration;

B. located in Washington County;

C. newly created, as a result of the establishment or expansion of a business facility in the county; and

D. filled.

2. "New permanent full–time position" does not include a position that is:

A. created when an employment function is shifted from an existing business facility of the business entity or its affiliates located in Washington County to another business facility of the same entity or its affiliates, if the position does not represent a net new job in the county;

B. created through a change in ownership of a trade or business;

C. created through a consolidation, merger, or restructuring of a business entity or its affiliates, if the position does not represent a net new job in the county;

D. created when an employment function is contractually shifted from an existing business entity or its affiliates located in the county to another business entity or its affiliates, if the position does not represent a net new job in the county; or

E. filled for a period of less than 12 months.

(2) The governing body of Washington County may grant, by law, a property tax credit against the county property tax imposed on real property owned or leased by a business entity that meets the requirements specified for the property tax credit under this subsection.

(3) To qualify for a property tax credit under this subsection, before a business entity meets the requirements specified for the property tax credit under paragraph (4) of this subsection, the business entity shall provide written notification to the governing body of Washington County stating:

(i) that the business entity intends to claim the property tax credit; and

(ii) when the business entity expects to meet the requirements specified for the property tax credit under paragraph (4) of this subsection.

(4) To qualify for a property tax credit under this subsection:

(i) an existing business entity in the county shall:

1. obtain at least an additional 1,500 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing previously unoccupied premises; and

2. employ at least one individual in a new permanent full–time position during a 12–month period, during which period the business entity also must obtain and occupy the new or expanded premises;

(ii) a new business entity locating in the county shall:

1. obtain at least 2,500 square feet of new or expanded premises by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing previously unoccupied premises; and

2. employ at least five individuals in new permanent full–time positions during a 24–month period, during which period the business entity also must obtain and occupy the new or expanded premises; or

(iii) a new business entity locating in the county or an existing business entity in the county shall:

1. invest at least $10,000,000 in capital improvements in the county by purchasing newly constructed premises, constructing new premises, causing new premises to be constructed, or leasing previously unoccupied premises; and

2. as a result of the capital improvements specified in item 1 of this item, create 100 new permanent full–time positions.

(5) (i) If an existing business entity in the county meets the requirements of paragraph (4)(i) of this subsection, the property tax credit granted

under this subsection shall equal a percentage of the amount of property tax imposed on the assessment of the new or expanded premises, as follows:

1. 52% in the first and second taxable years;

2. 39% in the third and fourth taxable years; and

3. 26% in the fifth and sixth taxable years.

(ii) If a new business entity locating in the county meets the requirements of paragraph (4)(ii) of this subsection, the property tax credit granted under this subsection shall equal a percentage of the amount of property tax imposed on the assessment of the new or expanded premises, as follows:

1. 30% in the first and second taxable years;

2. 20% in the third and fourth taxable years; and

3. 10% in the fifth and sixth taxable years.

(iii) If a new or existing business entity in the county meets the requirements of paragraph (4)(iii) of this subsection, the property tax credit granted under this subsection shall equal a percentage of the amount of county property tax imposed on the assessment of the new or expanded premises, as follows:

1. 100% for each of the first 5 taxable years;

2. 75% in taxable years 6 through 10;

3. 50% in taxable years 11 through 15; and

4. 0% in taxable year 16 and each taxable year thereafter.

(6) The lessor of real property granted a property tax credit under this subsection shall reduce the amount of taxes for which a business entity is contractually liable under the lease agreement by the amount of any credit granted under this subsection for improvements made by the business entity.

(7) The governing body of Washington County shall provide, by law, for:

(i) the specific requirements for eligibility for a property tax credit authorized under this subsection;

(ii) any additional limitations on eligibility for the credit; and

(iii) any other provision appropriate to implement the credit.

(g) (1) (i) In this subsection the following words have the meanings indicated.

(ii) 1. "Disabled veteran" means an individual who:

A. is honorably discharged or released under honorable circumstances from active military, naval, or air service as defined in 38 U.S.C. § 101; and

B. has been declared by the U.S. Department of Veterans Affairs to have a permanent service–connected disability that results from blindness or other disabling cause that:

I. is reasonably certain to continue for the life of the veteran; and

II. was not caused or incurred by misconduct of the veteran.

2. "Disabled veteran" includes an individual who qualifies posthumously for a service–connected disability.

(iii) "Dwelling house":

1. means real property that is:

A. the legal residence of a disabled veteran or a surviving spouse; and

B. occupied by not more than two families; and

2. includes the lot or curtilage and structures necessary to use the real property as a residence.

(iv) "Surviving spouse" means an individual who has not remarried and who is the surviving spouse of a disabled veteran.

(2) The governing body of Washington County may grant, by law, a property tax credit under this subsection against the county property tax imposed on a dwelling house if:

(i) the dwelling house is owned by:

1. a disabled veteran; or

2. a surviving spouse of a disabled veteran, if:

A. the dwelling house was owned by the disabled veteran at the time of the disabled veteran's death; and

B. the surviving spouse meets the requirements of paragraph (4) of this subsection; and

(ii) the application requirements of paragraph (5) of this subsection are met.

(3) The property tax credit granted under this subsection shall equal a percentage of the amount of property tax imposed on the dwelling house that is equal to the percentage of the disabled veteran's service–connected disability rating.

(4) After a disabled veteran dies, the surviving spouse of the disabled veteran may receive a disabled veteran's property tax credit for the dwelling house that was formerly owned by the disabled veteran if:

(i) the dwelling house received a property tax credit under this subsection; and

(ii) the surviving spouse owns and resides in the dwelling house.

(5) (i) A disabled veteran or a surviving spouse of a disabled veteran shall apply for the property tax credit under this subsection by providing to the county:

1. a copy of the disabled veteran's discharge certificate from active military, naval, or air service; and

2. on the form provided by the county, a certification of the disabled veteran's disability from the U.S. Department of Veterans Affairs.

(ii) The disabled veteran's certificate of disability may not be inspected by individuals other than:

1. the disabled veteran; or

2. appropriate employees of the county.

(6) The governing body of Washington County may provide, by law, for:

(i) the duration of the tax credit;

(ii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iii) any other provision necessary to carry out the tax credit under this subsection.

§9–324.

(a) The governing body of Wicomico County and the governing body of a municipal corporation in Wicomico County may grant a property tax credit under this section against the county and municipal corporation property tax imposed on property that is owned by the East Side Men's Club, Inc.

(b) (1) The governing body of Wicomico County may grant, by law, a property tax credit against the county property tax imposed on agricultural land and agricultural easements, not including any improvements, that are located in an agricultural preservation district.

(2) In establishing a tax credit under this subsection, the governing body of Wicomico County shall specify:

(i) the amount and duration of the credit;

(ii) the qualification and application procedures for the credit;

(iii) the circumstances under which the credit shall terminate;

(iv) the liability of the property owner in the event of termination of the credit; and

(v) any other requirement or procedure related to the credit and considered necessary.

(c) (1) The governing body of Wicomico County or the governing body of a municipal corporation in Wicomico County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on property that is owned by the Salisbury Area Chamber of Commerce, Inc.

(2) The governing body of Wicomico County or of a municipal corporation in Wicomico County may provide, by law, for:

(i) the amount and duration of a property tax credit under this subsection; and

(ii) any other provision necessary to carry out this subsection.

§9–325.

(a) (1) The governing body of Worcester County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) property that is:

1. owned by the Berlin Community Improvement Association, Incorporated, of Worcester County; and

2. used only for the nonprofit activities of the organization;

(ii) property that is:

1. owned by the Marlin Park Association, Incorporated; and

2. used for nonprofit purposes;

(iii) property that is owned or leased by the Greater Ocean City Health Service Corporation; and

(iv) property that is owned by the Ocean City, Maryland Chamber of Commerce.

(2) The governing body of Worcester County may provide, by law, for:

(i) the amount and duration of a property tax credit under this section; and

(ii) any other provision necessary to carry out this section.

(b) (1) The governing body of Worcester County or the governing body of a municipal corporation in Worcester County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on:

(i) property that is owned by the Pocomoke City Chamber of Commerce;

(ii) real property that is:

1. owned by the Mayor and City Council of Ocean City;

2. leased to the Sinepuxent Pier and Improvement Company, Incorporated; and

3. known as the Ocean City Amusement and Fishing Pier; and

(iii) real property that:

1. is located in Ocean City on or west of Route 528;

2. consists of at least 30 acres; and

3. is actually used exclusively for the operation of an amusement park.

(2) The governing body of Worcester County or of a municipal corporation in Worcester County may provide, by law, for:

(i) the amount and duration of a property tax credit under this subsection;

(ii) additional eligibility criteria for a property tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out this subsection.

(c) (1) In this subsection, "historically operated amusement park" means real property that is used for mechanical amusement rides, games, and concessions that:

(i) have been continuously owned by members of the same family or by entities of which members of the same family own a controlling interest;

(ii) have been operated at the same general location for a period of more than 100 years and continue to be operated at the same general location; and

(iii) have created a tourist destination at a boardwalk.

(2) The governing body of Worcester County or of a municipal corporation in Worcester County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on real property that is actually used as a historically operated amusement park.

(3) The governing body of Worcester County or of a municipal corporation in Worcester County may provide, by law, for:

(i) the amount and duration of the property tax credit under this subsection;

(ii) additional eligibility criteria for the tax credit under this subsection;

(iii) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(iv) any other provision necessary to carry out the credit under this subsection.

§9–326.

(a) The Mayor and City Council of Baltimore City and the governing body of Baltimore County shall grant a property tax credit against the county property tax imposed on owner-occupied, residential real property that:

(1) (i) is purchased from July 1, 1996 through June 30, 2002 in a geographic area of Baltimore City, that contains between 800 and 1,500 single-family dwellings; or

(ii) is purchased from July 1, 1996 through June 30, 2005 in either of two geographic areas of Baltimore County, that contain between:

1. 800 and 1,400 single-family dwellings in one geographic area; and

2. 2,000 and 2,400 single-family dwellings in another geographic area; and

(2) is designated by the Mayor of Baltimore City or the County Executive of Baltimore County, respectively, for participation in a demonstration project for neighborhood preservation and stabilization.

(b) In order to qualify for the credit under this section:

(1) for the 12-month period immediately prior to purchasing the property, the individual's principal residence may not have been located in the geographic areas designated under this section, unless the individual was not an owner of the property that was the individual's principal residence; and

(2) the residential real property must have been purchased in conformance with the guidelines regarding government housing assistance programs established by the Mayor and City Council of Baltimore City and the governing body of Baltimore County.

(c) The property tax credit shall equal:

(1) 40% of the county property tax for each of the first 5 taxable years after the purchase of the real property;

(2) 35% of the county property tax for the 6th taxable year after the purchase of the real property;

(3) 30% of the county property tax for the 7th taxable year after the purchase of the real property;

(4) 25% of the county property tax for the 8th taxable year after the purchase of the real property;

(5) 20% of the county property tax for the 9th taxable year after the purchase of the real property;

(6) 15% of the county property tax for the 10th taxable year after the purchase of the real property; and

(7) 0% of the county property tax for each taxable year thereafter.

(d) The property tax credit shall first apply to the taxable year beginning after the date of the purchase of the eligible real property.

(e) The Mayor and City Council of Baltimore City and the governing body of Baltimore County may provide, by law, for any other provision necessary to carry out the property tax credit under this section.

(f) The Mayor and City Council of Baltimore City and the governing body of Baltimore County shall hold a public hearing prior to the final designation of the geographic area under subsection (a) of this section.

(g) The Mayor and City Council of Baltimore City and the governing body of Baltimore County shall provide, on an annual basis to those individuals qualifying for the property tax credit under this section, a statement certifying qualification for the property tax credit and the amount of the property tax credit being granted. The statement may be provided on or with the annual property tax bill or in another manner as chosen by the local government.

(h) In order to be eligible for a property tax credit under this section, an individual shall apply for the credit within 6 months after the title to the residential property has been transferred to the individual.

§9–327.

(a) (1) In this section the following words have the meanings indicated.

(2) "Eligible county" means Allegany County and Garrett County.

(3) "Eligible dwelling" means newly constructed residential real property:

(i) that has not been previously occupied since its construction;

(ii) for which the building permit for construction was issued on or after June 1, 2024; and

(iii) occupied by the purchaser of the dwelling as the purchaser's principal residence.

(b) The governing body of an eligible county or a municipal corporation located in an eligible county may grant, by law, a property tax credit against the property tax imposed on an eligible dwelling if the eligible dwelling is constructed or equipped with:

(1) a sprinkler system installed in accordance with Title 9, Subtitle 2 of the Public Safety Article or local law;

(2) an on–site sewage disposal system installed in accordance with Title 9 of the Environment Article or local law; or

(3) fixed broadband Internet access service connectivity.

(c) The credit allowed under this section:

(1) may not exceed $10,000; and

(2) may be claimed in the taxable year that the property qualifies for the credit and the 4 taxable years following the taxable year in which the property qualifies for the credit.

(d) The governing body of an eligible county or a municipal corporation located in an eligible county that grants a property tax credit under this section may provide, by law, for:

(1) subject to the limitation under subsection (c)(1) of this section, the amount of the credit;

(2) additional eligibility criteria for the credit;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit under this section.

§9–401.

(a) In this section, "dwelling":

(1) means a newly constructed or substantially rehabilitated dwelling in Baltimore City, that is unsold, unrented, and unoccupied; and

(2) does not include land.

(b) A property tax credit granted under this section applies only to the county property tax.

(c) The governing body of Baltimore City may grant a property tax credit not exceeding 100% against the county tax imposed on the dwelling.

(d) (1) A property tax credit under this section may not be granted:

(i) for any dwelling that is used as an office or sample home by the builder or the owner; or

(ii) for more than 3 dwellings of an owner each year.

(2) This section does not change the regular assessment procedures that are applicable in Baltimore City.

(e) The governing body of Baltimore City may provide for procedures necessary to apply for a property tax credit under this section.

(f) When the owner of a dwelling applies to the governing body of Baltimore City for a property tax credit under this section, the owner shall certify that the dwelling is unsold, unrented, and unoccupied.

(g) A recipient of a property tax credit under this section shall send immediately to the governing body of Baltimore City a notice that the dwelling has been sold, rented, or occupied.

(h) A property tax credit granted under this section is available:

(1) as long as the dwelling remains unsold, unrented, and unoccupied; and

(2) over a continuous period of time not exceeding 1 year for any dwelling.

(i) If a recipient of a property tax credit under this section fails to comply with the provisions of this section, the property tax credit under this section is forfeited immediately.

§9–402.

(a) In this section, "county" means:

(1) Anne Arundel County;

(2) Frederick County;

(3) Howard County;

(4) Montgomery County; and

(5) Prince George's County.

(b) Instead of a property tax credit, the governing body of a county may provide, by law, a grant to any eligible elderly or disabled renter.

(c) The governing body of a county may establish any qualification for the grant, including an income limit.

(d) The governing body of a county shall fund the grant from the appropriate county source.

(e) This section may not be construed to deny the governing body of a county the power to alter, amend, or repeal any law adopted under this section.

§10–101.

(a) In this title, "property tax" includes a taxing district tax.

(b) (1) For purposes of this title, property newly annexed into a municipal corporation during a period shall be treated as initially added to the tax roll for that period.

(2) The imposition of the municipal property tax for a partial year on property newly annexed into a municipal corporation shall have no effect on the tax setoff under § 6-305 or § 6-306 of this article.

(3) Expenses incurred by a county for billing and collecting municipal corporation property taxes for a partial year on property newly annexed into the municipal corporation shall be chargeable to the municipal corporation for which the property taxes are collected.

§10–102.

(a) Except as otherwise provided in this title, property tax is due on July 1 in each taxable year.

(b) Except as provided in § 10-204.3 of this title, property tax that is due on July 1 of the tax year may be paid without interest on or before September 30 of the tax year, and is in arrears after September 30 of the tax year.

(c) Property tax for a full year that is imposed as of a semiannual date of finality may be paid without interest:

(1) on or before September 30, if the bill is submitted on or before August 31 of a tax year; or

(2) on or before 30 days after the date the tax bill is received or reasonably should have been received or available if the tax bill is submitted after September 1 of the tax year.

(d) Personal property tax may be paid without interest or penalty:

(1) on or before September 30, if the bill is submitted on or before August 31 of a tax year; or

(2) on or before 30 days after the date the tax bill is received or reasonably should have been received or available if the tax bill is submitted after September 1 of the tax year.

§10–103.

(a) Except as provided by § 10-104 of this subtitle, real property that during the period from July 1 to December 31, both inclusive, is completed or is otherwise initially added to the tax roll shall be taxed for the 6-month period from January 1 to the following June 30, both inclusive, at 50% of the annual State, county, municipal corporation, or taxing district property tax rate that is in effect for that taxable year.

(b) The property tax imposed under this section is due on the later of:

(1) January 1 of the taxable year; or

(2) the date after January 1 of the taxable year that the tax bill is received or reasonably should have been received or available.

(c) Property tax imposed under this section may be paid without interest or penalty on or before 30 days after the date the tax bill is mailed or made available.

§10–104.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may impose, by law, a county or municipal corporation property tax on real property that during the period from July 1 to September 30, both inclusive, is completed or is otherwise initially added to the tax roll. If imposed, the tax shall be for the 9-month period from October 1 to the following June 30, both inclusive, at 75% of the annual county or municipal corporation tax rate that is in effect for that taxable year.

(b) The county or municipal corporation property tax imposed under this section is due on the later of:

(1) October 1 of the taxable year; or

(2) the date that the tax bill is received or reasonably should have been received or is available.

(c) The county or municipal corporation property tax imposed under this section may be paid without interest or penalty on or before 30 days after the date the tax bill is mailed or made available.

§10–105.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may impose, by law, a county or municipal corporation property tax on real property that, during the period from January 1 to March 30, both inclusive, is completed or otherwise is initially added to the tax roll. If imposed, the tax shall be for the 3-month period from April 1 to June 30, both inclusive, at 25% of the annual county or municipal corporation tax rate that is in effect for that taxable year.

(b) The county or municipal corporation property tax imposed under this section is due on the later of:

(1) April 1 of the taxable year; or

(2) the date that the tax bill is received or reasonably should have been received or is available.

(c) County or municipal corporation property tax imposed under this section may be paid without interest or penalty on or before 30 days after the date the tax bill is mailed or made available.

§10–201.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Montgomery County, of Anne Arundel County, of Howard County, of Baltimore County, or of Prince George's County may authorize, by law, a payment deferral of county property tax for residential real property occupied as the principal residence of the owner.

(b) (1) The governing body of Prince George's County may provide for the payment deferral under subsection (a) of this section to apply to real property rezoned at the initiative of Prince George's County after July 1, 1974.

(2) The governing body of Howard County may provide for the payment deferral under subsection (a) of this section to apply to real property rezoned at the initiative of Howard County after July 1, 1984.

(3) The governing body of Baltimore County may provide for the payment deferral under subsection (a) of this section to apply to real property rezoned at the initiative of Baltimore County after January 1, 1960.

(c) In Prince George's County, Baltimore County, and Howard County, the real property eligible for a payment deferral under subsection (a) of this section is limited to the dwelling and curtilage, not exceeding 5 acres, as determined by the supervisor.

(d) The Montgomery County, Anne Arundel County, Howard County, Baltimore County, or Prince George's County property tax deferral shall be calculated on any increase in assessment that results directly from a change in zoning classification to a higher intensity use and that was initiated by a government.

(e) The governing body of Montgomery County, of Anne Arundel County, of Howard County, of Baltimore County, or of Prince George's County may limit the time period during which the payment of county property tax may be deferred.

§10–202.

(a) (1) In this subsection, "staged–development zoning classification" includes M–A–C, L–A–C, E–I–A, I–3, and other similar comprehensive design or staged–development zoning classifications.

(2) Except as provided in paragraph (3) of this subsection and notwithstanding Subtitle 1 of this title, the governing body of Prince George's County may authorize by law a payment deferral of the county property tax for the owner of undeveloped land that is rezoned for industrial or commercial use under a staged–development zoning classification if:

(i) the industrial or commercial land in the proposed development is at least 25 acres;

(ii) as determined by the supervisor, the county property tax deferred for each taxable year does not exceed the county property tax on any increase in assessment that would otherwise result directly from the change in zoning classification to industrial or commercial use; and

(iii) the deferred payment of county property tax is not for land in the proposed development that is zoned for other than industrial or commercial use.

(3) The governing body of Prince George's County may not authorize a payment deferral for county property tax for real property located in a development district established under Title 12, Subtitle 2 of the Economic Development Article.

(b) (1) A payment deferral under this section begins on the effective date of the later of:

(i) the Prince George's County law authorizing the payment deferral; or

(ii) the change in zoning.

(2) The payment deferral under this section does not apply to any taxable year before the effective date under paragraph (1)(i) of this subsection.

(c) (1) The payment deferral under this section may not be authorized for more than 5 years and ends when:

(i) a building permit is issued to construct a building on the land subject to this section; or

(ii) except as provided in paragraph (2) of this subsection, the land subject to this section is rezoned at the request of the owner to a zoning classification that makes the land ineligible for county property tax deferral under this section.

(2) If a permit is issued to construct a building on any land that is subject to this section and the remainder of the land meets the acreage requirements of subsection (a)(2)(i) of this section, the county property tax may be deferred on the remainder of the land.

(d) The county property tax that is deferred under this section, and any interest specified in the law authorizing the deferral, are due on the earlier of:

(1) 5 years from the deferral; or

(2) when the deferral ends under subsection (c)(1) of this section.

§10–202.1.

(a) In this section, "revitalization district" means a district designated by resolution adopted by the Prince George's County Council and approved by the County Executive or designated by the governing body of a municipal corporation in Prince George's County.

(b) (1) It is found and declared that there exists within Prince George's County:

(i) a number of economically depressed areas in need of revitalization; and

(ii) deteriorating communities.

(2) Older commercial centers are decaying. A need exists to provide an incentive to property owners to revive the older communities. New business in these areas would bring about new housing and new jobs. The establishment of revitalization districts with the provision of a tax deferral will give property owners an incentive to renovate deteriorating properties.

(c) (1) Subject to paragraph (2) of this subsection, the governing body of Prince George's County or any municipal corporation within Prince George's County may by resolution establish revitalization districts for the purpose of encouraging revitalization.

(2) The governing body of Prince George's County may not establish a revitalization district within the boundaries of a municipal corporation without the approval of the governing body of the municipal corporation.

(d) The governing body of Prince George's County or the governing body of a municipal corporation in Prince George's County may authorize, by law, the deferral of increased property taxes imposed by that governing body on real property located within a revitalization district that:

(1) is substantially renovated after the creation of the revitalization district;

(2) is reassessed as the result of the renovation and is assessed at a higher value than would otherwise have been assessed; and

(3) is eligible for the tax deferral as provided by local law.

(e) The governing body authorizing the tax deferral may authorize, by law, procedures for the determination of eligibility of property for the tax deferral by:

(1) establishing criteria for the extent of renovation;

(2) requiring approval of the renovation plan; and

(3) requiring the owner of the property to make application for the deferral.

(f) The deferral authorized under this section:

(1) may apply only to the tax liability increase directly attributable to the value added by the renovation of the property;

(2) may not be granted for a period exceeding 5 years; and

(3) shall constitute a lien on the property until paid in full.

(g) (1) Upon expiration of the deferral, the governing body may provide for payment of the deferred taxes in 1 payment or in annual payments of not more than 5 payments.

(2) Upon transfer of ownership of the property, the governing body may provide for immediate payment of the deferred taxes in 1 payment.

§10–203.

(a) (1) Notwithstanding Subtitle 1 of this title, the governing body of Montgomery County may authorize, by law, a payment deferral of county property tax for residential real property that is occupied as a moderate income, multifamily rental housing facility.

(2) For purposes of the tax payment deferral authorized by this subsection, the governing body of Montgomery County shall define the term "moderate income" through regulations based on § 8 of the United States Housing Act of 1937, as amended.

(b) The law adopted under subsection (a)(1) of this section shall specify the terms, conditions, and procedures for the property tax payment deferral, including:

(1) the amount of the payment deferral;

(2) the duration of the payment deferral; and

(3) the qualifications for the payment deferral.

(c) The property tax payment deferral authorized by subsection (a)(1) of this section shall continue until the property no longer meets the criteria, established by the governing body of Montgomery County, of a moderate income, multifamily rental housing facility.

(d) The accrued deferred property tax is due on property that no longer meets the specified criteria of a moderate income, multifamily rental housing facility.

(e) The unpaid taxes deferred under the authorization of subsection (a)(1) of this section are a lien against the property.

§10–204.

(a) Notwithstanding Subtitle 1 of this title, the governing body of a county may authorize, by law, a payment deferral of county property tax for residential real property occupied as the principal residence of the owner.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least 1 of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years;

(2) (i) is at least 65 years of age;

(ii) has been found permanently and totally disabled and has qualified for benefits under:

1. the Social Security Act;

2. the Railroad Retirement Act;

3. any federal act for members of the United States armed forces; or

4. any federal retirement system; or

(iii) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health; and

(3) meets the income eligibility requirements determined under subsection (c) of this section.

(c) The governing body of a county that authorizes a payment deferral under subsection (a) of this section shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(2) restrictions on the amount of the real property eligible for a payment deferral under subsection (a) of this section, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(3) the duration of the payment deferral under subsection (a) of this section;

(4) the rate of interest to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid, except that in Prince George's County the rate of interest may not exceed 4%;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral under subsection (a) of this section.

(d) The county property tax that is deferred under this section and any interest specified in the law authorizing the deferral are due when the deferral ends as specified in the law authorizing the deferral.

(e) The governing body of a county that authorizes a payment deferral under subsection (a) of this section shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) A lien shall attach to the property in the amount of all deferred taxes and interest. The lien shall remain attached until the deferred taxes and interest are paid.

(g) The governing body of a county that authorizes a payment deferral under subsection (a) of this section shall authorize the deferral by written agreement. The agreement shall reflect the terms and conditions of the deferral including notice of the lien. The agreement shall be recorded in the land records of the county.

(h) (1) The governing body of Prince George's County shall establish and promote a countywide public information, awareness, and education campaign on the property tax deferral available under this section.

(2) The campaign under paragraph (1) of this subsection shall disseminate information about the property tax deferral through written notice in the annual property tax bill, publication on the appropriate county websites, posters, and any other medium likely to reach resident taxpayers who may be eligible for the deferral program under this section.

(i) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

§10–204.1.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Montgomery County may authorize, by law, a payment deferral of the county property tax for residential real property occupied as the principal residence of the owner.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least 1 of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years; and

(2) meets the income eligibility requirements determined under subsection (c) of this section.

(c) The governing body of Montgomery County shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(2) restrictions on the amount of the real property eligible for a payment deferral under subsection (a) of this section, except that the amount of

eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(3) the duration of the payment deferral under subsection (a) of this section;

(4) the rate of interest to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral under subsection (a) of this section.

(d) The county property tax that is deferred under this section and any interest specified in subsection (c)(4) of this section are due when the deferral ends as specified in subsection (c)(3) of this section or immediately upon transfer of ownership of the property for which the property tax has been deferred.

(e) The governing body of Montgomery County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) A lien shall attach to the property in the amount of all deferred taxes and interest. The lien shall remain attached until the deferred taxes and interest are paid.

(g) The governing body of Montgomery County shall authorize the deferral by written agreement. The agreement shall reflect the terms and conditions of the deferral, including notice of the lien. The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

§10–204.2.

(a) Notwithstanding Subtitle 1 of this title, the governing body of a municipal corporation may authorize, by law, a payment deferral of municipal corporation property tax for residential real property occupied as the principal residence of the owner.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least 1 of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years;

(2) (i) is at least 65 years of age;

(ii) has been found permanently and totally disabled and has qualified for benefits under:

1. the Social Security Act;

2. the Railroad Retirement Act;

3. any federal act for members of the United States armed forces; or

4. any federal retirement system; or

(iii) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health; and

(3) meets the income eligibility requirements determined under subsection (c) of this section.

(c) The governing body of a municipal corporation that authorizes a payment deferral under subsection (a) of this section shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the municipal corporation property tax from the date the taxpayer elects to defer the payment of the tax;

(2) restrictions on the amount of the real property eligible for a payment deferral under subsection (a) of this section, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(3) the duration of the payment deferral under subsection (a) of this section;

(4) the rate of interest to be paid on the municipal corporation property tax payment from the due date without a deferral until the date that the municipal corporation property tax is paid;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral under subsection (a) of this section.

(d) The municipal corporation property tax that is deferred under this section and any interest specified in the law authorizing the deferral are due when the deferral ends as specified in the law authorizing the deferral.

(e) The governing body of a municipal corporation that authorizes a payment deferral under subsection (a) of this section shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) A lien shall attach to the property in the amount of all deferred taxes and interest. The lien shall remain attached until the deferred taxes and interest are paid.

(g) The governing body of a municipal corporation that authorizes a payment deferral under subsection (a) of this section shall authorize the deferral by written agreement. The agreement shall reflect the terms and conditions of the deferral including notice of the lien. The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

§10–204.3.

(a) (1) In this section the following words have the meanings indicated.

(2) "Business property" means real property:

(i) that has been assigned a commercial use code by the Department; and

(ii) for which the total State, county, municipal corporation, and special taxing district property taxes for the taxable year do not exceed $100,000.

(3) "Owner–occupied residential property" means the principal residence of a homeowner as defined in § 9–105 of this article.

(b) Notwithstanding Subtitle 1 of this title and subject to § 10–208 of this subtitle:

(1) the governing body of a county shall provide a semiannual payment schedule for State, county, and special taxing district property taxes due on owner–occupied residential property or business property; and

(2) the governing body of a municipal corporation shall provide a semiannual payment schedule for municipal corporation and special taxing district property taxes due on owner–occupied residential property or business property.

(c) A semiannual payment schedule under this section shall apply:

(1) at the time of the transfer of property purchased on or after July 1, 2000; and

(2) to any current or future owner of owner–occupied residential property or business property, regardless of whether the property was purchased before July 1, 2000.

(d) (1) The semiannual payment schedule under this section shall apply to:

(i) the property tax due for the tax year following transfer of the property; and

(ii) the property tax due and not in arrears for the current tax year for any transfer occurring on or after July 1 but on or before September 30.

(2) The first installment of a semiannual payment shall be paid on or before September 30.

(e) A semiannual payment schedule may include a service charge to be paid with the second installment.

(f) A service charge:

(1) shall be:

(i) adopted by the taxing authority that collects the property taxes after obtaining the prior approval of the amount of the service charge from the Department, as part of adoption of the property tax rate under §§ 6–301 through 6–303 of this article;

(ii) applicable to all property tax being collected by the taxing authority on the semiannual payment schedule for itself and for any other taxing authority;

(iii) expressed as a percent of the amount of tax due at the second installment and shown on the tax bill as a percent and actual dollar amount charged; and

(iv) calculated in an amount:

1. reasonably equivalent to the anticipated lost interest income associated with the 3–month delay in payment of the second installment by multiplying the amount of the second installment by a rate not exceeding 1.5%; and

2. covering administrative expenses associated with the semiannual payment not exceeding the lesser of the actual expenses incurred in the preceding fiscal year per semiannual tax account as approved by the State Department of Assessments and Taxation or 10% of the charge for the anticipated lost interest income as calculated in item 1 of this item;

(2) does not apply if both installments of property tax are paid on or before September 30 of the taxable year; and

(3) may not be considered to be a property tax for the purposes of any provision of a local law or charter that limits the property tax rate or property tax revenues.

(g) The local taxing authority shall provide to the Department by May 1 of each year, information that substantiates that the proposed service charge for the anticipated lost interest is reasonably equivalent to the amount of interest that will be lost as a result of the semiannual payment.

(h) (1) The property tax bill under a semiannual payment schedule:

(i) shall state:

1. the amount of the tax due if paid in full, including any applicable discounts for early payment;

2. the amount of the tax due if paid in semiannual installments, including any applicable discounts for early payment of the first installment;

3. the amount of any service charge to be paid with the second installment unless the second installment is paid on or before September 30 of the taxable year;

4. that the service charge does not apply if both installments are paid on or before September 30 of the taxable year; and

5. the date the tax payment is due; and

(ii) shall be subject to approval by the Department of Assessments and Taxation.

(2) The Department shall approve any local semiannual payment schedule collection that:

(i) provides efficient and cost–effective collection of taxes; and

(ii) provides two semiannual coupons, two semiannual billing forms, or a similar method that allows taxpayers to pay on a semiannual basis.

(3) Local semiannual payment schedule collection systems that are not approved by the Department shall utilize 2 semiannual payment coupons that shall be submitted with the appropriate payment.

(i) A payment under a semiannual schedule:

(1) for the first installment:

(i) is due on July 1 of the tax year; and

(ii) may be paid without interest on or before September 30 of the tax year; and

(2) for the second installment:

(i) is due on December 1 of the tax year;

(ii) except for the service charge, may be paid without interest on or before December 31 of the tax year; and

(iii) may be prepaid without the service charge or interest on or before September 30 of the tax year.

(j) (1) If an escrow account is established for the payment of the property tax, the escrow account servicer shall pay tax in semiannual installments unless the escrow account servicer has received written direction from the property owner or borrower to pay property tax in annual payments.

(2) If a taxpayer provides written direction to an escrow account servicer at least 60 days prior to the beginning of the tax year, property taxes shall be paid on an annual payment basis on behalf of that taxpayer by the escrow account servicer in the tax year that begins immediately following the year in which the written direction was received.

(3) If a taxpayer provides written direction to an escrow account servicer less than 60 days prior to the beginning of the tax year, property taxes may be paid on an annual payment basis on behalf of that taxpayer by the escrow account servicer in the tax year that begins immediately following the year in which the written direction was received.

§10–204.4.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Charles County may authorize, by law, a payment deferral of the county property tax for residential real property occupied as the principal residence of the owner.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least 1 of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years; and

(2) meets the income and age eligibility requirements determined under subsection (c) of this section.

(c) If the governing body of Charles County authorizes a payment deferral under this section, the governing body shall specify:

(1) the minimum age of an owner to determine eligibility for the payment deferral;

(2) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(3) the duration of the payment deferral under subsection (a) of this section;

(4) restrictions on the amount of the real property eligible for a payment deferral, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(5) the rate of interest to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid;

(6) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(7) the level of income to determine eligibility for the payment deferral.

(d) The county property tax that is deferred under this section and any interest specified in subsection (c)(5) of this section are due:

(1) when the eligible owner dies; or

(2) immediately upon transfer of ownership of the property for which the property tax has been deferred.

(e) The governing body of Charles County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) (1) A lien shall attach to the property in the amount of all deferred taxes and interest.

(2) The lien shall remain attached until the deferred taxes and interest are paid.

(g) (1) The governing body of Charles County shall authorize the deferral by written agreement.

(2) The agreement shall reflect the terms and conditions of the deferral, including notice of the lien.

(3) The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

§10–204.5.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Washington County may authorize, by law, a payment deferral of the county property tax for residential real property occupied as the principal residence of the owner.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least one of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years;

(2) is at least 65 years of age; and

(3) meets the income eligibility requirements determined under subsection (c) of this section.

(c) If the governing body of Washington County authorizes a payment deferral under this section, the governing body shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(2) the duration of the payment deferral under subsection (a) of this section;

(3) restrictions on the amount of the real property eligible for a payment deferral, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(4) the rate of interest, not exceeding an annual rate of 3%, to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral.

(d) The county property tax that is deferred under this section and any interest specified in subsection (c)(4) of this section are due:

(1) when the deferral ends as specified in subsection (c)(2) of this section;

(2) when the eligible owner dies; or

(3) immediately on transfer of ownership of the property for which the property tax has been deferred.

(e) The governing body of Washington County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) (1) A lien shall attach to the property in the amount of all deferred taxes and interest.

(2) The lien shall remain attached until the deferred taxes and interest are paid.

(g) (1) The governing body of Washington County shall authorize the deferral by written agreement.

(2) The agreement shall reflect the terms and conditions of the deferral, including notice of the lien.

(3) The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

(i) In each annual property tax bill, the governing body of Washington County shall provide notice of, and specify the details of eligibility for, a payment deferral under this section.

§10–204.6.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Anne Arundel County may authorize, by law, a payment deferral of the county property tax for residential real property occupied as the principal residence of the owner, the provisions of which shall comply with the provisions of subsections (b) through (h) of this section.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least one of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years;

(2) (i) is at least 62 years of age;

(ii) has been found permanently and totally disabled and has qualified for benefits under:

1. the Social Security Act;

2. the Railroad Retirement Act;

3. any federal act for members of the United States armed forces; or

4. any federal retirement system; or

(iii) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health; and

(3) meets the income eligibility requirements determined under subsection (c) of this section.

(c) If the governing body of Anne Arundel County authorizes a payment deferral under this section, the governing body shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(2) the duration of the payment deferral under subsection (a) of this section;

(3) restrictions on the amount of the real property eligible for a payment deferral, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(4) the rate of interest to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral.

(d) Even if the owner no longer satisfies the income eligibility requirements specified under subsection (c)(6) of this section, the county property tax that is deferred under this section and any interest specified in subsection (c)(4) of this section are due:

(1) when the duration of the payment deferral expires as specified by the governing body of Anne Arundel County;

(2) when the owner dies; or

(3) immediately on transfer of ownership of the property for which the property tax has been deferred.

(e) The governing body of Anne Arundel County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) (1) A lien shall attach to the property in the amount of all deferred taxes and interest.

(2) The lien shall remain attached until the deferred taxes and interest are paid.

(g) (1) The governing body of Anne Arundel County shall authorize the deferral by written agreement.

(2) The agreement shall reflect the terms and conditions of the deferral, including notice of the lien.

(3) The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

§10–204.7.

(a) In this section, "gross income" has the meaning stated in § 9–102 of this article.

(b) Notwithstanding Subtitle 1 of this title, the governing body of Prince George's County may authorize, by law, a payment deferral of county property tax for residential real property occupied as the principal residence of the owner.

(c) An owner is eligible for a payment deferral under subsection (b) of this section if:

(1) the owner or at least one of the owners:

(i) has resided in the dwelling for a period of at least 5 consecutive years; and

(ii) is at least 70 years of age; and

(2) the combined gross income of all individuals who actually reside in the dwelling, excluding an individual who pays a reasonable amount for rent or room and board or is a dependent of a renter under § 152 of the Internal Revenue Code, does not exceed $45,000.

(d) The governing body of Prince George's County shall specify:

(1) the amount of the tax that may be deferred;

(2) restrictions on the amount of the real property eligible for a payment deferral under subsection (b) of this section, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(3) the duration of the payment deferral under subsection (b) of this section;

(4) that a rate of interest of up to 4% shall be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid; and

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred.

(e) The county property tax that is deferred under this section and any interest specified in the law authorizing the deferral are due:

(1) when the deferral ends as specified in subsection (d)(3) of this section;

(2) when the eligible owner dies; or

(3) immediately on transfer of ownership of the property for which the property tax has been deferred.

(f) The governing body of Prince George's County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(g) (1) A lien shall attach to the property in the amount of all deferred taxes and interest.

(2) The lien shall remain attached until the deferred taxes and interest are paid.

(h) (1) The governing body of Prince George's County shall authorize the deferral by written agreement.

(2) The agreement shall reflect the terms and conditions of the deferral, including notice of the lien.

(3) The agreement shall be recorded in the land records of the county.

(i) (1) The governing body of Prince George's County shall establish and promote a countywide public information, awareness, and education campaign on the property tax deferral available under this section.

(2) The campaign under paragraph (1) of this subsection shall disseminate information about the property tax deferral through written notice in the annual property tax bill, publication on the appropriate county websites, posters, and any other medium likely to reach resident taxpayers who may be eligible for the deferral program under this section.

(j) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

§10–205.

(a) (1) Subject to paragraph (3) of this subsection, the governing body of a county or municipal corporation may authorize, by law, advance payment of county, municipal corporation, or special taxing district property tax.

(2) Subject to paragraph (3) of this subsection and in accordance with § 10–208 of this subtitle, the governing body of a county or municipal corporation may authorize the advance payment to be paid on an installment payment schedule.

(3) (i) The governing body of a county may authorize advance payment or an installment payment schedule for:

1. county property tax collected by the county;

2. municipal corporation property tax collected by the county at the request of the governing body of the municipal corporation; or

3. special taxing district property tax collected by the county at the request of the special taxing district.

(ii) The governing body of a municipal corporation may authorize advance payment or an installment payment schedule for municipal corporation property taxes collected by the municipal corporation.

(iii) The governing body of a county or municipal corporation may not authorize advance payment or an installment payment schedule for property taxes imposed on real property that is subject to a deed of trust, a mortgage, or any other encumbrance that includes the escrowing of property tax payments.

(b) The advance payment is calculated by applying the current county property tax rate to the assessment of the taxpayer's property for the prior year.

(c) If the advance payment is less than the county, municipal corporation, or special taxing district property tax as finally determined, the collector shall send a bill to the taxpayer for the difference.

(d) (1) The law authorizing advance payment may allow interest on the advance payment.

(2) The interest may not exceed any discounts allowed by law.

§10–206.

(a) If a corporation submits articles of dissolution to the Department, the Department shall immediately certify to the collector the assessment of any personal property of the corporation that is subject to property tax on the most recent date of finality.

(b) The collector shall send to the corporation a personal property tax bill that is calculated by applying the current property tax rates to the assessment that is determined under subsection (a) of this section.

(c) If the property tax payment is less than the property tax as finally determined, the collector shall send a bill to the taxpayer for the difference.

§10–207.

(a) To ensure payment of the county or municipal corporation property tax on personal property, the governing body of a county or of a municipal corporation may authorize, by law, a personal property tax liability fee payable by a business that:

(1) does not own any real property in the county or municipal corporation; and

(2) begins doing business in the county or municipal corporation or is conducting business and expands to a new location in the county or municipal corporation.

(b) The business shall pay the fee to the collector.

(c) The fee is credited toward the county or municipal corporation property tax.

(d) If the property tax liability fee is less than the property tax on personal property as finally determined, the business shall pay the remaining property tax due.

§10–208.

(a) (1) Subject to § 10–205 of this subtitle, the governing body of a county or municipal corporation may authorize, by law, an installment payment schedule for the county, municipal corporation, or special taxing district property tax imposed on real property.

(2) If a fee or other charge imposed by a county, municipal corporation, or special taxing district is also included on the tax bill sent to the taxpayer, the governing body of a county or municipal corporation may also authorize, by law, the payment of the fee or charge through the installment payment schedule authorized under paragraph (1) of this subsection.

(3) (i) Subject to § 10–205 of this subtitle, an installment payment schedule authorized under this subsection may be scheduled in advance of the property tax bill.

(ii) An installment payment schedule may include any number of due dates scheduled:

1. on or after January 1; and

2. on or before the due date under § 10–102 of this title or § 10–204.3 of this subtitle, whichever is applicable.

(b) For any installment payment scheduled after July 1:

(1) the taxing authority may impose a service charge in accordance with § 10–204.3(f) and (g) of this subtitle; and

(2) no interest may be charged if payment is made before the next installment is due or the last installment is due, whichever is earlier.

(c) The governing body of a county or municipal corporation that authorized an installment payment schedule under § 10–205 of this subtitle may provide, by law, for:

(1) any additional eligibility criteria for an installment payment schedule under this section;

(2) the process for electing an installment payment schedule;

(3) the number of installment payments allowed each year;

(4) the due date for each installment payment; and

(5) any other provision necessary to carry out the provisions of this section.

(d) (1) A taxpayer may elect to pay the property tax imposed on real property through an installment payment schedule authorized under this section.

(2) The failure by the taxpayer to make an installment payment under an installment payment schedule authorized under this section may not be considered to be a failure to pay the property tax when due except as provided under Subtitle 1 of this title.

§10–209.

(a) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may, by law, establish an installment payment program for taxes in arrears on any residential property.

(b) Any fee or charge of any kind that is included on a property tax bill may be paid through the installment payment program authorized under subsection (a) of this section.

(c) (1) If a person is in compliance with the terms of an installment payment program under this section, the collector may not take action under Title 14, Subtitle 8 of this article to collect any property taxes in arrears that are included in the installment payment program.

(2) A person is not in compliance with the terms of an installment payment program if the person fails to make a payment for a period of 90 days after the date the payment is due, or a longer period determined by the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation.

(3) If a person is not in compliance with the terms of an installment payment program, the collector may:

(i) terminate the person's enrollment in the installment payment program; and

(ii) take action under Title 14, Subtitle 8 of this article to collect the property taxes in arrears that were included in the installment payment program.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) any additional eligibility criteria for an installment payment program under this section;

(2) the process for enrolling in an installment payment program;

(3) the frequency and due dates of installment payments; and

(4) any other provision necessary to carry out this section.

§10–210.

(a) If on or before September 1 of a taxable year the Department has not notified a county or municipal corporation of any particular personal property assessment, or any operating property assessment, the Mayor and City Council of Baltimore City or the governing body of the county or of the municipal corporation may authorize, by law, the payment of estimated property tax under subsection (b) of this section.

(b) (1) The estimated property tax may not exceed the amount calculated by applying the applicable current property tax rate to the most recent assessment of the property.

(2) Payment is due 30 days after the tax bill is received or reasonably should have been received or available and if unpaid is subject to interest and penalties as provided by §§ 14-604, 14-608, and 14-702 of this article.

(c) If the property tax paid under this section is less than the tax finally determined, the collector shall send a bill to the taxpayer for the difference.

§10–301.

Except as otherwise provided by § 10-205 of this title, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may authorize, by law, a discount, if the county or municipal corporation property tax, as applicable, or appropriate tax district charge that is due is paid during the grace period provided by § 10-102(b) of this title.

§10–304.

(a) As used in this section, "damaged property" means:

(1) real property that is partially damaged or totally destroyed; or

(2) personal property that is totally destroyed.

(b) As to damaged property that should be removed from the assessment roll:

(1) if the damage occurred during the 6-month period from the date of finality to the June 30 following, property tax is not due for the taxable year beginning on the following July 1;

(2) if the damage occurred during the first month of the taxable year, 8% of the property tax is due;

(3) if the damage occurred during the second month of the taxable year, 17% of the property tax is due;

(4) if the damage occurred during the third month of the taxable year, 25% of the property tax is due;

(5) if the damage occurred during the fourth month of the taxable year, 33% of the property tax is due;

(6) if the damage occurred during the fifth month of the taxable year, 42% of the property tax is due;

(7) if the damage occurred during the sixth month of the taxable year, 50% of the property tax is due;

(8) if the damage occurred during the seventh month of the taxable year, 58% of the property tax is due;

(9) if the damage occurred during the eighth month of the taxable year, 67% of the property tax is due;

(10) if the damage occurred during the ninth month of the taxable year, 75% of the property tax is due;

(11) if the damage occurred during the tenth month of the taxable year, 83% of the property tax is due;

(12) if the damage occurred during the eleventh month of the taxable year, 91% of the property tax is due; and

(13) if the damage occurred during the twelfth month of the taxable year, the full amount of property tax is due.

(c) If property tax is paid on property that qualifies for a property tax abatement under this section, the property tax shall be refunded as provided by Title 14, Subtitle 9 of this article.

§10–305.

The governing body of Garrett County or of Washington County may prorate the county property tax on personal property for the part of a taxable year during which a business actually does business in Garrett County or Washington County.

§10–401.

Except as otherwise provided in this subtitle, the owner of property on the date of finality is liable for property tax that is imposed on that property for the following taxable year.

§10–402.

(a) (1) Except for tax sales as provided by Title 14, Subtitle 8 of this article, if real property ownership is transferred on or after the date of finality and before the semiannual date of finality, the transferee is liable for the property tax on real property for the taxable year that begins after the transfer.

(2) If real property ownership is transferred on or after July 1 and before January 1, and the property is subject to a semiannual payment schedule of property tax for the current taxable year under § 10-204.3 of this title, the transferor is liable for any semiannual property tax installment that may be due for the real property in the current taxable year at the time of transfer, and is not liable for the second semiannual installment that is due after the date of transfer. The transferee is solely liable for any semiannual property tax installment for the current taxable year that is due after the date of transfer.

(3) This subsection does not preclude the transferor and the transferee of real property that is subject to this subsection from adjusting the property tax or service charges for any year between them.

(b) (1) If a transfer of all personal property or all the stock in business of a business occurs on or after the date of finality and before the semiannual date of finality the property is assessed to the transferee as if the property were escaped property under § 8-417 of this article, if the transferor or the transferee files with the Department or the supervisor on or before the October 1 immediately after the date of the transfer a report, under oath, that contains:

(i) a description of the personal property from the assessment roll;

(ii) the date and manner of transfer;

(iii) the name and address of the transferee;

(iv) the consideration; and

(v) any other information that the Department requires.

(2) If the report is not filed, the transferor and the transferee are jointly and severally liable for the next taxable year following the transfer.

(3) This subsection does not apply to any personal property or stock in business removed from the State before the semiannual date of finality.

(4) If the transferor of personal property that is transferred under this section has paid the property tax, the transferor may require the transferee to adjust the property tax with the transferor.

(c) (1) If a transfer of all personal property or all the stock in business of a business occurs on or after the semiannual date of finality and before the subsequent year date of finality:

(i) the property is assessed to the transferor; and

(ii) the transferor and the transferee are jointly and severally liable for all taxes due on the property.

(2) If the transferor of personal property that is transferred under this section has paid the property tax, the transferor may require the transferee to adjust the property tax with the transferor.

§10–403.

(a) The owner of property that is subject to the leasehold or other limited interest that is described in § 6–102(b) through (e) of this article is not liable for property tax on that property. However, the Department may impose the entire property tax liability due on the property to the tenant, bailee, custodian, or other party in possession of the property.

(b) Except as provided in subsection (c) of this section, if the holder of a leasehold or other limited interest in property that is described in § 6–102(e) of this article fails to pay property tax that is due, a lien does not attach to the property or to the interest of a holder in the property but is a personal debt of the holder that is recoverable by civil action in any court of competent jurisdiction.

(c) (1) Except as provided in paragraph (2) of this subsection, subsection (b) of this section does not apply to any leasehold interest held in any property within:

(i) a development district designated under § 12–203 of the Economic Development Article;

(ii) a special taxing district established under § 21–409 or § 21–503 of the Local Government Article; or

(iii) a community development authority designated under § 2–7–125 of the Code of Public Local Laws of Frederick County.

(2) This subsection does not apply to any reversionary interest of the federal government, the State, a county, or a municipal corporation, or an agency or instrumentality of the federal government, the State, a county, or a municipal corporation in property described in paragraph (1) of this subsection.

§11–101. IN EFFECT

(a) On or before April 15 of each year, a person shall submit an annual report to the Department if:

(1) the person is a business trust, statutory trust, domestic corporation, limited liability company, limited liability partnership, or limited partnership;

(2) the person is a foreign corporation, foreign statutory trust, foreign limited liability company, foreign limited liability partnership, or foreign limited partnership registered or qualified to do business in the State; or

(3) the person owns or during the preceding calendar year owned property that is subject to property tax.

(b) The report shall:

(1) be in the form that the Department requires;

(2) be under oath as the Department requires; and

(3) contain the information that the Department requires.

(c) (1) This subsection does not apply to a privately held company if at least 75% of the company's shareholders are family members.

(2) If the person submitting the report is a tax–exempt, domestic nonstock corporation with an operating budget exceeding $5,000,000, or a domestic stock corporation with total sales exceeding $5,000,000, the report required by the Department shall include the number of female board members and the total number of members on the person's board of directors.

(d) If the person submitting the report is an entity that is subject to § 19–106 of the Business Regulation Article, the report shall include the diversity data required by the regulations adopted by the Department of Commerce and the Office of Small, Minority, and Women Business Affairs under § 19–106 of the Business Regulation Article.

(e) On or before December 31, 2019, the Department shall adopt regulations on the granting of exemptions from the reporting requirement under this section.

§11–101. // EFFECTIVE SEPTEMBER 30, 2029 PER CHAPTERS 513 AND 514 OF 2019 //

(a) On or before April 15 of each year, a person shall submit an annual report to the Department if:

(1) the person is a business trust, statutory trust, domestic corporation, limited liability company, limited liability partnership, or limited partnership;

(2) the person is a foreign corporation, foreign statutory trust, foreign limited liability company, foreign limited liability partnership, or foreign limited partnership registered or qualified to do business in the State; or

(3) the person owns or during the preceding calendar year owned property that is subject to property tax.

(b) The report shall:

(1) be in the form that the Department requires;

(2) be under oath as the Department requires; and

(3) contain the information that the Department requires.

(c) If the person submitting the report is an entity that is subject to § 19–106 of the Business Regulation Article, the report shall include the diversity data required by the regulations adopted by the Department of Commerce and the Office of Small, Minority, and Women Business Affairs under § 19–106 of the Business Regulation Article.

(d) On or before December 31, 2019, the Department shall adopt regulations on the granting of exemptions from the reporting requirement under this section.

§11–102.

(a) The Department may require a person to submit to the Department a report on personal property that contains the information listed in subsection (b) of this section, if the person:

(1) moves personal property to any county or municipal corporation from the county or municipal corporation where it was assessed;

(2) moves personal property from outside this State to a county or municipal corporation inside this State; or

(3) possesses, cares for, or manages any personal property that:

(i) is not assessed; or

(ii) the Department suspects is not assessed.

(b) The report on personal property shall contain:

(1) a list of:

(i) all personal property assessable by the Department; and

(ii) all personal property assessable but not previously assessed by the Department that the person possesses, cares for, or manages; and

(2) the name of each person who owns an item of the personal property.

§11–103.

(a) If a person who has filed a report under this title determines that information was not reported accurately, the person may file an amended report within 3 years after the April 15th that the original report was due.

(b) A person filing an amended report under subsection (a) of this section may only claim an exemption for personal property used in manufacturing if an exemption for personal property used in the manufacturing process was previously approved for that taxable year under §§ 7–104(b) and 7–225(d), under §§ 7–104(c) and 7–225(d), or under §§ 7–104(d) and 7–225(d) of this article.

(c) After reviewing an amended report, the Department shall:

(1) issue a corrected assessment notice; or

(2) notify the person that the original assessment notice will not be adjusted.

(d) A person who receives a notice under subsection (c) of this section may appeal the change in value or classification related to the corrected information or the denial notice as provided in § 14–504 of this article.

§12–101.

(a) In this title the following words have the meanings indicated.

(b) "Articles of consolidation" means a document filed with the Department under § 3–107 of the Corporations and Associations Article which evidences a consolidation of at least one Maryland corporation with another corporation to form a new Maryland corporation.

(c) "Articles of merger" means a document filed with the Department under § 3–107, § 4A–703, § 9A–903, or § 10–208 of the Corporations and Associations Article which evidences a merger involving at least one Maryland corporation, Maryland limited liability company, Maryland partnership, or Maryland limited partnership.

(d) "Documents which evidence the merger or consolidation of foreign corporations, foreign partnerships, foreign limited liability companies, or foreign limited partnerships" means those documents that are filed or recorded with:

(1) the Department under § 3–117, § 4A–1012, § 9A–910, or § 10–912 of the Corporations and Associations Article; or

(2) the clerk of the circuit court of a county evidencing that title to real property has been conveyed through a merger or consolidation of 2 or more foreign corporations, foreign limited liability companies, foreign partnerships, or foreign limited partnerships.

(e) "Domestic partner" means an individual with whom another individual has established a domestic partnership.

(f) "Domestic partnership" means a relationship between two individuals who:

(1) are at least 18 years old;

(2) are not related to the other by blood or marriage within four degrees of consanguinity under the civil law rule;

(3) are not married or a member of a civil union or domestic partnership with another individual;

(4) agree to be in a relationship of mutual interdependence in which each domestic partner contributes to the maintenance and support of the other domestic partner and the relationship, even if both domestic partners are not required to contribute equally to the relationship; and

(5) share a common residence where both domestic partners live, even if:

(i) only one of the domestic partners has the right to legal possession of the common residence; or

(ii) one of the domestic partners has an additional residence.

(g) "Evidence of a domestic partnership" means:

(1) an affidavit signed under penalty of perjury by two individuals stating that they have established a domestic partnership; and

(2) evidence of any two of the following:

(i) joint liability of the individuals for a mortgage or other loan or for a lease;

(ii) the designation of one of the individuals as the primary beneficiary under a life insurance policy on the life of the other individual or under a retirement plan of the other individual;

(iii) the designation of one of the individuals as the primary beneficiary of the will of the other individual;

(iv) a durable power of attorney for health care or financial management granted by one of the individuals to the other individual;

(v) joint ownership or lease by the individuals of a motor vehicle;

(vi) a joint checking account, joint investments, or a joint credit account;

(vii) a joint renter's or homeowner's insurance policy;

(viii) coverage of one of the individuals under a health insurance policy of the other individual;

(ix) joint responsibility for childcare, such as school documents or guardianship documents; or

(x) a relationship or cohabitation contract.

(h) "Evidence of dissolution of a domestic partnership" means:

(1) a death certificate; or

(2) an affidavit signed under penalty of perjury by two individuals who formerly established a domestic partnership stating that the domestic partnership has been dissolved.

(i) "Former domestic partner" means an individual with whom another individual had established a domestic partnership that has subsequently been dissolved.

(j) (1) "Instrument of writing" means a written instrument that:

(i) conveys title to or creates or gives notice of a security interest in real property; or

(ii) creates or gives notice of a security interest in personal property.

(2) "Instrument of writing" includes:

(i) a deed or contract;

(ii) a mortgage, deed of trust, or other contract that creates an encumbrance on real property;

(iii) a lease of real property;

(iv) an assignment of a lessee's interest in real property;

(v) a security agreement;

(vi) articles of merger or other document which evidences a merger of foreign corporations, foreign partnerships, foreign limited liability companies, or foreign limited partnerships; and

(vii) articles of consolidation or other document which evidences a consolidation of foreign corporations.

(k) "Recordation tax" means the tax imposed under this title.

(l) (1) "Security agreement" means an agreement that creates or provides for a security interest.

(2) "Security agreement" includes a financing statement filed under the Maryland Uniform Commercial Code to perfect a security interest.

(m) (1) "Security interest" means an interest in real property or personal property that secures payment or performance of an obligation.

(2) "Security interest" includes a lien or encumbrance on real property or personal property.

(n) "Subsidiary corporation" includes any corporation that is a subsidiary of either a parent corporation or any other subsidiary corporation of the parent corporation.

(o) "Successor" has the meaning stated in § 1–101(dd) of the Corporations and Associations Article.

(p) (1) "Supplemental instrument of writing" means an instrument of writing that confirms, corrects, modifies, supplements, or amends and restates a previously recorded instrument of writing, regardless of whether recordation tax was paid on such instrument of writing.

(2) "Supplemental instrument of writing" includes an instrument of writing that secures a debt and grants a security interest in property in addition to or in substitution for property described in the previously recorded instrument of writing.

§12–102.

Except as otherwise provided in this title, recordation tax is imposed on an instrument of writing:

(1) recorded with the clerk of the circuit court for a county; or

(2) filed with the Department and described in § 12-103(d) of this title.

§12–103.

(a) (1) Except as provided in subsection (a–1) of this section, the recordation tax rates under this section are applied to each $500 or fraction of $500 of consideration payable or of the principal amount of the debt secured for an instrument of writing.

(2) The consideration:

(i) includes the amount of any mortgage or deed of trust assumed by the grantee; and

(ii) subject to item (i) of this paragraph, includes only the amount paid or delivered in return for the sale of the property and does not include the amount of any debt forgiven or no longer secured by a mortgage or deed of trust on the property.

(a–1) (1) The recordation tax rates under this section are applied to each $500 or fraction of $500 of consideration paid for the conveyance of a controlling interest in a real property entity as defined in § 12–117 of this title that has developed real property under Section 42 of the Internal Revenue Code, the Low Income Housing Tax Credit Program.

(2) The consideration under this subsection shall be the actual payment made by the purchaser to the seller for the purchase of the interest.

(b) (1) The Mayor and City Council of Baltimore City or the governing body of a county may set, by law, the recordation tax rate in the county.

(2) The Mayor and City Council of Baltimore City or the governing body of a county may provide for an exemption from the tax of a specified amount of the consideration payable on the conveyance of owner–occupied residential property if the buyer intends to use the property as the buyer's principal residence by actually occupying the residence for at least 7 months of a 12–month period.

(3) The governing body of a county or Baltimore City may provide for an exemption from the recordation tax for an instrument of writing for residentially improved owner–occupied real property if the instrument of writing is accompanied by a statement under oath signed by each grantee that:

(i) 1. the grantee is an individual who has never owned in the State residential real property that has been the individual's principal residence; and

2. the residence will be occupied by the grantee as the grantee's principal residence; or

(ii) 1. the grantee is a co–maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in § 12–108(i) of this title for the property; and

2. the grantee will not occupy the residence as the co–maker's or guarantor's principal residence.

(c) The recordation tax rate is 55 cents for an instrument of writing for property that:

(1) is located in 2 or more counties; and

(2) is security for a corporate bond of a public service company as defined in § 1–101 of the Public Utilities Article.

(d) For articles of merger or articles of consolidation filed with the Department under § 3–107 of the Corporations and Associations Article, or other document filed with the Department which evidences a merger or consolidation of foreign corporations, foreign limited liability companies, foreign partnerships, or foreign limited partnerships, the recordation tax rate is $1.65. The Department shall collect the recordation tax when the articles of merger, articles of consolidation, or other document which evidences a merger or consolidation of foreign corporations, foreign limited liability companies, foreign partnerships, or foreign limited partnerships are filed.

§12–104.

(a) Except as provided in subsection (b) of this section, the consideration payable, including the amount of any mortgage or deed of trust assumed by the grantee, or the principal amount of the secured debt incurred, shall be described in:

(1) the recitals or the acknowledgment of the instrument of writing; or

(2) an affidavit under oath that accompanies the instrument of writing and that is signed by a party to the instrument of writing or by an agent of a party.

(b) Security agreements filed in accordance with § 9-502 of the Maryland Uniform Commercial Code are governed by the requirements of that section and not by subsection (a) of this section.

§12–105.

(a) (1) For a deed, deed of trust, or mortgage transferring title to real property located partly in the State, the recordation tax applies to the consideration payable or the principal amount of the debt secured in the same ratio that the value of the real property that is located in the State bears to the value of the entire property.

(2) For a security agreement covering personal property that is not exempt under § 12–108(k) of this title and is located partly in this State, recordation tax applies to the principal amount of the debt secured in the same ratio that the value of the nonexempt personal property located in this State bears to the value of the entire personal property.

(3) For transactions that involve instruments of writing described in both paragraphs (1) and (2) of this subsection, the recordation tax applies to the consideration payable or the principal amount of the debt secured in the same ratio that the sum of the values of the real property and the nonexempt personal property located in this State bears to the value of the entire property.

(b) Except if recorded with the Interstate Commerce Commission as provided by federal law, for a deed of trust, mortgage, or contract or agreement for the rolling stock or equipment of a railroad, the recordation tax applies to the debt secured in the same ratio that the number of miles of line of the railroad in the State bears to the number of miles of line of the entire railroad.

(c) If a lease of real property creating a perpetually renewable ground rent is recorded without a transfer of the reversionary estate for full consideration other than the ground rent being recorded at the same time, the recordation tax applies to the redemption sum as determined under § 8–804 of the Real Property Article plus any additional consideration payable. If the lease is recorded at the same time with the transfer of the reversionary estate created for full consideration, the lease is not subject to recordation tax.

(d) For a lease of real property for a term of more than 7 years not perpetually renewable, the recordation tax applies to:

(1) the average annual rent over the term of the lease, including renewals, capitalized at 10% plus any additional consideration payable, other than rent; or

(2) if the average annual rent cannot be determined, the greater of:

(i) 105% of the minimum average annual rent as determined by the lease, capitalized at 10% plus any additional consideration payable, other than rent; or

(ii) 60% of the assessment of the real property subject to lease.

(e) (1) In this subsection, "document":

(i) means any document that publicizes or gives constructive notice of an unrecorded lease; and

(ii) includes:

1. an attornment agreement;

2. a memorandum of a lease; and

3. an assignment of a lease.

(2) A document may be recorded only if the original lease is submitted and recordation tax on the document and the original lease is paid.

(3) Subject to § 12–111 of this title, the lessee is chargeable with recordation tax on the original lease. If a lessee fails or refuses to pay recordation tax after a demand is made, the party offering for recordation the original lease may:

(i) pay recordation tax; and

(ii) sue the lessee to recover the amount of recordation tax paid, with interest from the date of payment of recordation tax.

(4) Recordation tax has to be paid on the original lease only if the original lease was required to be recorded under § 3–101 of the Real Property Article.

(f) (1) Except as provided in paragraph (4) of this subsection, if the total amount of secured debt has not been incurred at the time of recording or filing the instrument of writing, the recordation tax applies only to the principal amount of the debt incurred at that time.

(2) Except as provided in paragraphs (3), (4), and (6) of this subsection, on or before 7 days after any additional debt is incurred after recording or filing an instrument of writing, a statement under oath of the amount of additional debt shall be filed with the clerk of the circuit court or with the Department, and the recordation tax shall be paid on the additional debt by the debtor.

(3) If the additional debt under paragraph (2) of this subsection is applied to repayment of the debt previously incurred, the recordation tax does not apply to the additional debt.

(4) The recordation tax may be computed and paid on the maximum outstanding principal sum, however expressed, that is stated to be secured by the instrument of writing, without regard to the amount of secured debt actually incurred, advanced, or readvanced.

(5) When credit is originally extended under paragraph (1) of this subsection to a consumer borrower, as defined in § 12–901 of the Commercial Law Article, the lender shall inform the borrower that:

(i) the borrower may pay the recordation tax under paragraphs (1) and (2) or paragraph (4) of this subsection; and

(ii) if the borrower elects to pay the recordation tax as additional debt is incurred under paragraph (2) of this subsection, the consumer borrower is responsible for payment of the additional tax and any penalty provided by § 14–1012 of this article.

(6) (i) This paragraph applies to construction loans for over $100,000 for which the total amount of secured debt has not been incurred at the time of recording or filing the instrument of writing.

(ii) At the time that additional debt is incurred, the lender shall issue a draft payable to the appropriate collector of the recordation tax in the amount of the recordation tax due under this subsection.

(iii) The funds for the draft may be proceeds from the additional debt that is incurred or from the borrower.

(iv) Until the recordation tax is paid as required under paragraph (2) of this subsection, the borrower shall remain liable for the recordation tax that is due on the additional debt.

(7) (i) In this paragraph, "indemnity mortgage" includes any mortgage, deed of trust, or other security interest in real property that secures a guarantee of repayment of a loan for which the guarantor is not primarily liable.

(ii) Except as provided in subparagraph (iii) of this paragraph:

1. secured debt with respect to an indemnity mortgage recorded on or after July 1, 2012, is deemed to be incurred for purposes of this subsection when and to the same extent as debt is incurred on the guaranteed loan; and

2. the recordation tax applies under this subsection in the same manner as if the guarantor were primarily liable for the guaranteed loan.

(iii) This paragraph does not apply:

1. to the extent that recordation tax is paid on another instrument of writing that secures payment of the guaranteed loan;

2. to an indemnity mortgage that secures a guarantee of repayment of a loan or series of loans that are part of the same transaction for less than $12,500,000; or

3. to a supplemental instrument of writing that confirms, corrects, modifies, supplements, or amends and restates a previously recorded instrument of writing regardless of whether recordation tax was paid on the instrument of writing, to the extent of the outstanding principal balance of the guaranteed loan immediately prior to the time the supplemental instrument of writing is entered into.

(iv) Recordation tax that is otherwise due on the recording of an indemnity mortgage may be allocated in the same manner described in subsection (a) of this section or calculated on the amount of the debt stated to be secured.

(g) (1) For a transfer under § 12–106 of this title, the recordation tax applies to the value of the real property determined by the Department at the date of finality immediately before the date of transfer.

(2) For a transfer by articles of merger, articles of consolidation, or other documents which evidence a merger or consolidation of foreign corporations, foreign limited liability companies, foreign partnerships, or foreign limited partnerships, the recordation tax applies to the value of the real property determined by the Department at the date of finality immediately before the date of the merger or consolidation.

§12–106.

Except as provided in § 12-108(p), (q), (v), and (w) of this title, the recordation tax applies to instruments of writing that transfer the real property of a corporation to its stockholders, the real property of a limited liability company to its members, or the real property of a partnership to its partners.

§12–107.

Except as otherwise provided in this title, the recordation tax applies to an instrument of writing that perfects a security interest in tangible personal property, standing timber, or fixtures.

§12–108.

(a) (1) Except as provided in paragraph (2) of this subsection, an instrument of writing is not subject to recordation tax, if the instrument of writing transfers property to or grants a security interest to:

(i) the United States;

(ii) the State;

(iii) an agency of the State; or

(iv) a political subdivision in the State.

(2) The Mayor and City Council of Baltimore City or the governing body of a county may impose, by law, the recordation tax uniformly on all instruments of writing that secure repayment of debt created by the sale of bonds authorized under Title 12, Subtitle 1 of the Economic Development Article.

(b) A security agreement is not subject to recordation tax, if the security agreement is:

(1) on a vehicle and is perfected by filing with the Motor Vehicle Administration; or

(2) on a vessel and is perfected by filing with the Department of Natural Resources.

(c) (1) When property is transferred subject to a mortgage or deed of trust, the recordation tax does not apply to the principal amount of debt assumed by

the transferee, if the instrument of writing transfers the property from the transferor to a:

(i) spouse or former spouse;

(ii) son, daughter, stepson, or stepdaughter;

(iii) parent or stepparent;

(iv) son–in–law, daughter–in–law, stepson–in–law, or stepdaughter–in–law;

(v) parent–in–law or stepparent–in–law;

(vi) brother, sister, stepbrother, or stepsister;

(vii) grandchild or stepgrandchild;

(viii) grandparent or stepgrandparent; or

(ix) domestic partner or former domestic partner.

(2) (i) To qualify as a domestic partner under this subsection, an individual shall submit evidence of a domestic partnership.

(ii) To qualify as a former domestic partner under this subsection, an individual shall submit evidence of dissolution of a domestic partnership.

(3) The exemption under paragraph (1) of this subsection for transfers to a domestic partner or former domestic partner of the transferor applies only to an instrument of writing for residential property.

(d) (1) An instrument of writing that transfers property between the following individuals is not subject to recordation tax:

(i) spouses or former spouses; or

(ii) domestic partners or former domestic partners.

(2) (i) To qualify as a domestic partner under this subsection, an individual shall submit evidence of a domestic partnership.

(ii) To qualify as a former domestic partner under this subsection, an individual shall submit evidence of dissolution of a domestic partnership.

(3) The exemption under paragraph (1) of this subsection for transfers between domestic partners or former domestic partners applies only to an instrument of writing for residential property.

(e) A supplemental instrument of writing is not subject to recordation tax except to the extent that:

(1) actual consideration is payable on the supplemental instrument of writing; or

(2) the amount of unpaid outstanding principal debt is increased by the supplemental instrument of writing.

(f) An instrument of writing previously recorded is not subject to recordation tax when the instrument or a counterpart is recorded in another county or in the same county.

(g) (1) In this subsection, "original mortgagor" includes:

(i) a person that assumed a debt secured by real property that the person purchased and paid the recordation tax on the consideration paid for the property;

(ii) a person that received the property from the original mortgagor under a deed that was exempt from recordation tax under subsection (p) or (y) of this section; and

(iii) the trustee of an inter vivos trust if the trustee or the settlor of the trust originally assumed or incurred the debt secured by the mortgage or deed of trust.

(2) A mortgage or deed of trust is not subject to recordation tax to the extent that it secures the refinancing of an amount not greater than the unpaid principal amount secured by an existing mortgage, indemnity mortgage, or deed of trust at the time of refinancing if the mortgage or deed of trust secures the refinancing of real property that is:

(i) being refinanced by the original mortgagor or by the original mortgagor and, if applicable, the spouse of the original mortgagor; or

(ii) being refinanced by the settlor of an inter vivos trust if the mortgage or deed of trust is given by a trustee of the trust.

(3) To qualify for an exemption under paragraph (2) of this subsection an original mortgagor or agent of the original mortgagor shall include a statement in the recitals or in the acknowledgment of the mortgage or deed of trust, or submit with the mortgage or deed of trust, an affidavit under oath, signed by the original mortgagor or agent of the original mortgagor, stating:

(i) that the person is the original mortgagor or agent of the original mortgagor; and

(ii) the amount of unpaid outstanding principal of the original mortgage, indemnity mortgage, or deed of trust that is being refinanced.

(4) A statement under paragraph (3) of this subsection by an agent of the original mortgagor shall state that the statement:

(i) is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(ii) is true to the best of the knowledge, information, and belief of the agent.

(h) An instrument of writing of a mechanic's lien or crop lien that relates to farm products or equipment used in farming operations is not subject to recordation tax.

(i) (1) In this subsection, "purchase money mortgage" or "purchase money deed of trust" means a mortgage or deed of trust that:

(i) is given by the transferee of real property with respect to the property purchased;

(ii) is delivered as part of the same transaction as the instrument of writing that transfers the property purchased and that is subject to the recordation tax;

(iii) recites on its face that it secures, in whole or in part, the purchase money for the property or otherwise recites on its face that it is a purchase money mortgage or purchase money deed of trust;

(iv) is fully executed within 30 days of the date that the instrument of writing transferring the property is fully executed; and

(v) is recorded no later than 30 days after the date that the instrument of writing transferring the property is duly recorded.

(2) For the purpose of this subsection, the date that an instrument is fully executed is the later of:

(i) the date of the last acknowledgment; or

(ii) the date on the instrument of writing.

(3) A purchase money mortgage or a purchase money deed of trust is not subject to recordation tax.

(j) An assignment of a mortgage or deed of trust is not subject to recordation tax.

(k) A security agreement filed or recorded under the Maryland Uniform Commercial Code is not subject to recordation tax:

(1) if it is filed or recorded:

(i) to perfect a security interest in inventory;

(ii) to perfect a security interest in contract rights, general intangibles, or accounts;

(iii) to perfect a security interest in farm products or in equipment used in farming operations;

(iv) to perfect a security interest taken or retained by a seller of collateral to secure all or part of its price; or

(v) to publicize a lease of goods or fixtures, provided that the security agreement states on its face that it does not create a security interest; or

(2) if it is filed or recorded with the Department under § 9–501(a)(2) of the Commercial Law Article.

(l) A judgment of a court is not subject to recordation tax.

(m) A release is not subject to recordation tax.

(n) An order of satisfaction is not subject to recordation tax.

(o) A participation agreement that shows an interest of a person in a note, mortgage, or deed of trust that is based on a previously recorded loan to the mortgagor or grantor under a deed of trust is not subject to recordation tax.

(p) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Business entity" means a limited liability company, corporation, limited partnership, or statutory trust.

(iii) "Owner" means a member, stockholder, limited partner, or beneficial owner of a business entity.

(iv) "Ownership interest" means a membership interest, stock, limited partnership interest, or beneficial interest.

(2) An instrument of writing is not subject to recordation tax if the instrument of writing is:

(i) a transfer of title to real property between a parent business entity and its wholly owned subsidiary business entity or between 2 or more subsidiary business entities wholly owned by the same parent business entity, if the parent business entity is an original owner of the subsidiary business entity, or became an owner through gift or bequest from an original owner of the subsidiary business entity, for:

1. no consideration;

2. nominal consideration; or

3. consideration that comprises only the issuance, cancellation, or surrender of the ownership interests of a subsidiary business entity;

(ii) an instrument of writing made pursuant to the reorganization of a business entity as described in § 368(a) of the Internal Revenue Code; or

(iii) a transfer of title to real property from a subsidiary business entity to its parent business entity for no consideration, nominal consideration or consideration that comprises only the issuance, cancellation, or surrender of a subsidiary's ownership interest, where the parent business entity:

1. previously owned the real property;

2. currently owns the ownership interest of the subsidiary and has owned that ownership interest for a period greater than 18 months; or

3. acquires the ownership interest of a subsidiary business entity which has been in existence and has owned the real property for a period of 2 years.

(q) An instrument of writing that transfers real property from a corporation, limited liability company, or partnership on its liquidation, dissolution, or termination is not subject to recordation tax, if the transferee is:

(1) an original stockholder of the corporation, an original member of the limited liability company, or an original partner of the partnership;

(2) a direct descendant or relative within 2 degrees of an original stockholder of the corporation, an original member of the limited liability company, or an original partner of the partnership counting by the civil law method; or

(3) a stockholder, member, or partner who became a stockholder, member, or partner through gift or bequest from an original stockholder of the corporation, an original member of the limited liability company, or an original partner of the partnership.

(r) A land installment contract described in § 10–101(c) of the Real Property Article is not subject to recordation tax.

(s) An option agreement for the purchase of real property is not subject to recordation tax.

(t) A deed conveying title to real property is not subject to recordation tax if recordation tax was paid on a prior contract of sale between the same parties for the real property.

(u) A lease of 7 years or less, which is not required to be recorded under § 3–101 of the Real Property Article, is not subject to recordation tax.

(v) Articles of merger or other document which evidences a merger of foreign corporations are not subject to recordation tax if there is a transfer of real property:

(1) from a parent corporation to its subsidiary corporation;

(2) from a subsidiary corporation to its parent corporation where the parent corporation:

(i) previously owned the real property;

(ii) owns the stock of the subsidiary and has owned that stock for a period greater than 18 months; or

(iii) acquires the stock of a subsidiary corporation which has been in existence and has owned the real property for a period of 2 years; or

(3) from a corporation merging out of existence to its successor corporation where recordation tax and, if then required to have been paid, transfer tax were paid when the corporation merging out of existence acquired title to the real property.

(w) Articles of consolidation or other documents that evidence a consolidation of foreign corporations are not subject to recordation tax if recordation tax and, if then required to have been paid, transfer tax were paid when the corporation consolidating to form a new corporation acquired title to the real property.

(x) (1) Except as provided in this subsection, an instrument of writing that transfers real property from a cooperative housing corporation on its termination to an owner of a cooperative interest in the cooperative housing corporation is not subject to recordation tax if the cooperative housing corporation consists of single residential units and was established on or before January 1, 1970.

(2) The exemption under paragraph (1) of this subsection does not apply to:

(i) the conversion of a cooperative housing corporation to a condominium regime; or

(ii) the transfer of property to a person who:

1. does not occupy the property transferred; or

2. has received the credit allowed under this section for another property transferred as part of the same corporate termination.

(3) The exemption under paragraph (1) of this subsection shall apply only in a county that:

(i) does not levy a county property transfer tax; or

(ii) has, by law, adopted an exemption from any local transfer tax for property as described in this subsection.

(y) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Foreign general partnership", "foreign limited partnership", "foreign limited liability partnership", "foreign limited liability limited partnership", and "foreign joint venture" mean, respectively, a partnership, limited partnership, limited liability partnership, limited liability limited partnership, or joint venture organized or formed under the laws of the United States, another state of the United States, or a territory, possession, or district of the United States.

(iii) "Predecessor entity" includes a:

1. Maryland general partnership or foreign general partnership;

2. Maryland limited partnership or foreign limited partnership;

3. Maryland limited liability partnership or foreign limited liability partnership;

4. Maryland limited liability limited partnership or foreign limited liability limited partnership;

5. Maryland joint venture or foreign joint venture; and

6. sole proprietorship.

(iv) "Sole proprietorship" includes an individual who owns an interest in real property in the individual's name.

(2) An instrument of writing that transfers title to real property from a predecessor entity or a trustee or nominee of a predecessor entity to a limited liability company is not subject to recordation tax if:

(i) 1. the members of the limited liability company are identical to the partners of the converting general partnership, limited partnership, limited liability partnership, or limited liability limited partnership;

2. the members of the limited liability company are identical to the joint venturers of the converting joint venture; or

3. the sole member of the limited liability company is identical to the converting sole proprietor;

(ii) each member's allocation of the profits and losses of the limited liability company is identical to that member's allocation of the profits and losses of the converting predecessor entity; and

(iii) the instrument of writing that transfers title to real property represents the dissolution of the predecessor entity for purposes of conversion to a limited liability company.

(z) Expired.

(aa) An instrument of writing pursuant to which the Maryland Stadium Authority transfers title to, or creates a leasehold interest in, real property is not subject to recordation tax if the transferee or lessee is an Authority affiliate as defined in § 10–601 of the Economic Development Article.

(bb) (1) In this subsection, "real estate enterprise" means a business conducted by one or more individuals who own real property, including a sole proprietorship or a tenancy by the entirety, and are principally involved in buying, selling, leasing, or managing real property.

(2) An instrument of writing that transfers title to real property from the individual or individuals conducting a real estate enterprise to a limited liability company is not subject to recordation tax if:

(i) the transfer is for no consideration other than the issuance of membership interests in the limited liability company;

(ii) the members of the limited liability company are identical to the partners of the conveying real estate enterprise;

(iii) each member's allocation of the profits and losses of the limited liability company is identical to that member's allocation of the profits and losses of the conveying real estate enterprise;

(iv) the transfer is part of a discontinuation of the real estate enterprise; and

(v) all real property owned by the individuals and used in the conduct of any real estate enterprise is being conveyed to a single limited liability company.

(3) An individual's other business interests unrelated to the real estate enterprise and unaffected by the title transfer to a limited liability company may not affect the individual's ability to claim the exemption from the recordation tax described in this subsection.

(cc) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Conservation easement" means a restriction prohibiting or limiting the use of water or land areas, or any improvement or appurtenance thereto, described in § 2–118 of the Real Property Article.

(iii) "Land trust" means a qualified conservation organization that:

1. is a qualified organization under § 170(h)(3) of the Internal Revenue Code and regulations adopted under that section; and

2. has executed a cooperative agreement with the Maryland Environmental Trust.

(2) An instrument of writing conveying or assigning a conservation easement to a land trust is not subject to recordation tax.

(3) An instrument of writing conveying fee simple title to a land trust is not subject to recordation tax if the land trust files a declaration of intent that the land will be used:

(i) to assist in the preservation of a natural area;

(ii) for the environmental education of the public;

(iii) to conserve agricultural land and to promote continued agricultural use of the land;

(iv) generally to promote conservation; or

(v) for the maintenance of a natural area for public use or a sanctuary for wildlife.

(dd) An instrument of writing that transfers real property or an interest in real property from an estate is not subject to recordation tax as provided in § 9–105(c) of the Estates and Trusts Article.

(ee) An instrument of writing that transfers real property or an interest in real property to a trust or from a trust to one or more beneficiaries under the circumstances specified in § 14.5–1001 of the Estates and Trusts Article is not subject to recordation tax.

(ff) An instrument of writing that transfers residential real property from a certified community development financial institution to the immediately preceding mortgagor or grantor of the property under the circumstances specified in § 7–105.1 of the Real Property Article and a purchase money mortgage or purchase money deed of trust related to that transfer are not subject to recordation tax.

(gg) An instrument of writing that transfers residential real property is not subject to recordation tax if:

(1) the property is subject to a purchase money mortgage or purchase money deed of trust;

(2) the mortgagor filed a petition for bankruptcy under Title 11, Chapter 7 of the United States Code;

(3) the mortgagor filed with the bankruptcy court a statement of intention to surrender the property;

(4) the property was the principal residence of the mortgagor prior to the surrender of the property in bankruptcy; and

(5) the property is transferred from the mortgagor to the holder of the purchase money mortgage or purchase money deed of trust.

(hh) (1) In this subsection, "MJC Entities", "Pimlico racing facility site", "Pimlico site", "project entities", and "training facility site" have the meanings stated in § 10–601 of the Economic Development Article.

(2) An instrument of writing is not subject to recordation tax if the instrument of writing transfers or grants a security interest in property that is:

(i) located at or within the Pimlico racing facility site, Pimlico site, or training facility site and the transfer or grant is by any combination of project entities, MJC Entities, Baltimore City, or an entity designated by Baltimore City; or

(ii) the property identified as the Bowie Race Course Training Center under § 11–519 of the Business Regulation Article that is transferred by the owner of the property to a government entity.

§12–109.

(a) (1) An instrument of writing that is taxable under this title may not be recorded in any county until the recordation tax has been paid as provided by subsection (b) of this section.

(2) An instrument of writing that is taxable under this title may not be filed with the Department until the recordation tax has been paid as provided by subsection (b) of this section.

(b) (1) Except as provided in paragraph (2) of this subsection, the recordation tax on an instrument of writing or a security agreement recorded under subsection (a)(1) of this section in any county shall be paid to the collector or the clerk of the circuit court for the county, as designated by the governing body of the county.

(2) In Prince George's County, the recordation tax on an instrument of writing or a security agreement recorded under subsection (a)(1) of this section shall be paid to the Director of Finance of Prince George's County.

(3) The recordation tax on articles of merger, articles of consolidation, or other documents which evidence a merger or consolidation of foreign corporations, foreign partnerships, foreign limited liability companies, or foreign limited partnerships filed with the Department shall be paid to the Department.

§12–110.

(a) (1) Except as provided in subsections (c) and (d) of this section, in any county except Prince George's, the recordation tax collected by the collector or the clerk of the circuit court shall be paid to the governing body of the county in which the recordation tax was collected.

(2) In Prince George's County the recordation tax is both paid to and collected by the Director of Finance of Prince George's County.

(b) (1) A person who offers for recordation an instrument of writing for property located in 2 or more counties shall submit to the collector or the clerk of the circuit court for each county a certificate showing the apportionment of the total value of the property between each of the counties.

(2) For an instrument of writing recorded under paragraph (1) of this subsection, the recordation tax in each county in which the property is located is:

(i) payable at the rate of tax that applies in the county; and

(ii) based on the ratio that the value of the property in that county bears to the value of the property in all counties.

(c) Recordation tax collected under § 12–103(c) of this title shall be paid to the Comptroller for deposit in the General Fund of the State.

(d) (1) The Department shall deduct the cost of administering the recordation tax from the taxes collected under this title and credit those revenues to the fund established under § 1–203.3 of the Corporations and Associations Article.

(2) After deducting the revenues required under paragraph (1) of this subsection, the recordation tax collected under §§ 12–103(d) and 12–117 of this title shall be distributed to the county in which the property is located.

§12–111.

By agreement, recordation tax may be paid by any person.

§12–112.

The Department may adopt regulations to administer the collection and remitting of recordation tax for instruments of writing filed with the Department.

§12–113.

(a) In Harford County the collector shall deposit proceeds from recordation tax at the rate of $2.20 in a special capital improvement fund to be used to pay school bonds issued on the faith and credit of Harford County after January 1, 1959. After the debt service for the current fiscal year has been met, the money collected from this tax at the rate of $2.20 shall be credited for the purpose of financing:

(1) new school construction;

(2) major improvements and capital improvements to existing school facilities;

(3) portable classrooms; or

(4) any combination of these purposes.

(b) In Harford County the collector shall deposit proceeds from recordation tax at the rate of 55 cents in a fund for open–spaces land and recreation to be disbursed as authorized by the governing body of the county:

(1) to purchase park lands and develop park and recreation facilities as separate units or as a part of a public school facility;

(2) to pay loans made for the purposes of item (1) of this subsection;

(3) to match any funds provided for the purposes of item (1) of this subsection by any municipal corporation in the county, subject to an agreement between the county and the municipal corporation; or

(4) to construct a new headquarters facility in the immediate vicinity of the alms housekeeper's residence on Tollgate Road, if the architectural integrity of the housekeeper's residence is not affected by the construction.

§12–114.

(a) In this section, "rental dwelling" means residential real property with accommodations for not more than 4 units that is held by the owner primarily for rental, investment, or the generation of income and is located in a targeted area designated by the governing body of Charles County under § 9-310(c) of this article.

(b) The governing body of Charles County may grant, by law, an exemption, in whole or in part, from the recordation tax imposed on an instrument of writing that transfers a rental dwelling in Charles County to an individual who will occupy the property as a principal residence.

(c) To qualify for the exemption authorized under this section, the instrument of writing shall be accompanied by:

(1) a statement under oath signed by the grantor that the property has been held by the grantor as a rental dwelling; and

(2) a statement under oath signed by the grantee that the residence will be occupied by the grantee as the grantee's principal residence.

(d) The governing body of Charles County may provide by law for:

(1) any additional criteria for eligibility, conditions, or restrictions for an exemption provided under this section;

(2) provisions to define, fix, or limit the amount, terms, and scope of an exemption provided under this section; and

(3) any other provision appropriate to implement the exemption.

§12–115.

(a) The governing body of Charles County may grant, by law, a credit, in whole or in part, against the recordation tax imposed on an instrument of writing which transfers property in Charles County to targeted businesses relocating, expanding, or undertaking new construction in Charles County.

(b) The law adopted under subsection (a) of this section shall specify:

(1) the criteria for eligibility for the tax credit;

(2) any desired conditions or restrictions on the granting of the credit; and

(3) the method for calculating the amount of the tax credit.

§12–116.

The Mayor and City Council of Baltimore City or the governing body of a county may exempt, by law, from the recordation tax an instrument of writing that transfers property from or grants a security interest from:

(1) the United States;

(2) the State;

(3) an agency of the State; or

(4) a political subdivision in the State.

§12–117.

(a) (1) In this section the following words have the meanings indicated.

(2) "Controlling interest" means:

(i) more than 80% of the total value of all classes of stock of a corporation;

(ii) more than 80% of the total interest in capital and profits of a partnership, association, limited liability company, or other unincorporated form of doing business; or

(iii) more than 80% of the beneficial interest in a trust.

(3) "Final transfer" means that transfer of any portion of a controlling interest that completes the transfer of a controlling interest in a real property entity.

(4) (i) "Plan of transfer" means an intentional plan or program to transfer the controlling interest in a real property entity.

(ii) "Plan of transfer" does not include a series of sales of shares of a publicly traded entity.

(5) (i) "Real property" means real property located in the State.

(ii) "Real property" does not include:

1. a leasehold, unless created by a lease that is required to be recorded under § 3–101(a) of the Real Property Article; or

2. any mortgage, deed of trust, or other lien on or security interest in real property that secures an indebtedness.

(6) (i) "Real property entity" means a corporation, partnership, association, limited liability company, limited liability partnership, other unincorporated form of doing business, or trust that directly or beneficially owns real property that:

1. constitutes at least 80% of the value of its assets; and

2. A. has an aggregate value of at least $1,000,000; or

B. is the product of an untaxed conversion from a sole proprietorship effected under the exemption provided under § 12–108(y) of this title.

(ii) For the purposes of this paragraph, the value of real property shall be determined without reduction for any mortgage, deed of trust, or other lien on or security interest in the real property.

(iii) "Real property entity" does not include an entity with land holdings that, other than homesites or areas of commercial activity related to agricultural production, are entirely subject to an agricultural use assessment under § 8–209 of this article.

(b) (1) The recordation tax is imposed on the transfer of a controlling interest in a real property entity as if the real property, directly or beneficially owned by the real property entity, was conveyed by an instrument of writing that is recorded with the clerk of the circuit court for a county or filed with the Department under § 12–102 of this title.

(2) (i) The recordation tax is imposed on the consideration payable for the transfer of the controlling interest in the real property entity.

(ii) The consideration to which the recordation tax applies includes the amount of:

1. any mortgage, deed of trust, or other lien on or security interest in the real property directly or beneficially owned by the real property entity; and

2. any other debt or encumbrance of the real property entity.

(iii) The consideration to which the recordation tax applies is reduced by the amount allocable to the assets of the real property entity other than real property.

(iv) The real property entity has the burden of establishing to the satisfaction of the Department the consideration referred to in subparagraph (i) of this paragraph and the amount of any consideration allocable to assets other than real property referred to in subparagraph (iii) of this paragraph.

(v) If the real property entity fails to establish the amount of consideration referred to in subparagraph (i) of this paragraph, the recordation tax is imposed on the value of the real property, directly or beneficially owned by the real property entity, determined by the Department at the date of finality immediately before the date of the final transfer.

(3) Except as otherwise provided in § 12–103(d) of this title, the recordation tax is applied at the rate set under § 12–103(b) of this title by the county where the real property is located.

(c) (1) (i) Except as provided in subparagraph (ii) of this paragraph, the transfer of a controlling interest in a real property entity is not subject to recordation tax if the transfer of the real property owned by the real property entity between the same transferor and transferee of the controlling interest and under the same circumstances would have been exempt under § 12–108 of this title.

(ii) Subparagraph (i) of this paragraph does not apply to transactions under § 12–108(y)(2)(i)3 of this title.

(2) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity effected in more than one transaction if:

(i) the transfer is completed over a period of more than 12 months; or

(ii) the transfer is not made in accordance with a plan of transfer.

(3) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity if the ownership interests in the real property entity are owned, directly or indirectly, by the same persons and in the same proportions after the transfer.

(4) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity if the transferee of the controlling interest in the real property entity is:

(i) a nonstock corporation organized under Title 5, Subtitle 2 of the Corporations and Associations Article; and

(ii) registered with the Department of Aging as a continuing care retirement community under § 10–408 of the Human Services Article.

(5) The real property entity has the burden of establishing to the satisfaction of the Department the applicability of any exemption referred to in paragraphs (1) through (4) of this subsection.

(d) (1) The real property entity shall file with the Department a report of any transfer of a controlling interest in the real property entity that is completed within a period of 12 months or less within 30 days following the date of the final transfer.

(2) The report shall include all information to establish to the satisfaction of the Department:

(i) the consideration referred to in subsection (b)(2)(i) of this section;

(ii) the amount of assets other than real estate referred to in subsection (b)(2)(ii) of this section; and

(iii) any exemption provided for in subsection (c) of this section.

(3) The report shall be accompanied by payment of:

(i) a $20 filing fee; and

(ii) any tax, interest, and penalty that is due.

(e) (1) If any tax due under this section remains unpaid for 30 days after the date of the final transfer:

(i) interest on the unpaid amount shall accrue thereafter at the rate of 1% per month; and

(ii) a penalty of 10% of the unpaid amount shall be due.

(2) Any tax, interest, and penalty due under this section is an obligation of the real property entity.

(3) For reasonable cause, the Department may waive the imposition of interest or penalty.

(f) This section does not apply to:

(1) a pledge of stock or other interest in a real property entity as security for a loan; or

(2) the admission to the real property entity of additional shareholders, partners, beneficial owners, or other members incident to the raising of additional capital through a public or private offering of stock or other interests in the real property entity if:

(i) the effective management of the real property entity is not substantially changed; and

(ii) under the terms of the offering, none of the new members is expected to participate in the day–to–day management of the real property entity.

(g) (1) The Department shall adopt regulations to administer this section.

(2) The regulations shall include any additional standards and exemptions to assure that:

(i) a tax is imposed when a transaction is structured involving a controlling interest in a real property entity to avoid payment of the recordation tax;

(ii) exemptions provided by law when real property is transferred by an instrument of writing are applicable; and

(iii) there is no double taxation of a single transaction.

§12–118.

(a) (1) In this subsection the following words have the meanings indicated.

(2) "Acquired dwelling" means a dwelling:

(i) that was owned by a displaced homeowner; and

(ii) that by negotiation or condemnation was acquired from the displaced homeowner for public use by the State or a political subdivision or instrumentality of the State, where the acquiring agency had the power to acquire the dwelling for public use by condemnation.

(3) "Acquisition year" means the taxable year in which an acquired dwelling was acquired for public use by the State or a political subdivision or instrumentality of the State.

(4) "Awarded compensation" means the amount awarded to the displaced homeowner from the acquiring agency when the State or a political subdivision or instrumentality of the State took possession of the acquired dwelling by negotiation or condemnation.

(5) "Displaced homeowner" means an individual whose legal interest in a dwelling was terminated through either negotiation or condemnation in exchange for awarded compensation.

(6) "Replacement dwelling" means a dwelling that is:

(i) purchased by a displaced homeowner within 2 taxable years immediately following the acquisition year; and

(ii) is intended to be used as the principal residence of the displaced homeowner.

(b) The Mayor and City Council of Baltimore City or the governing body of a county may exempt, by law, from the recordation tax an instrument of writing that transfers title to improved residential real property to a displaced homeowner if the improved residential real property conveyed to the displaced homeowner qualifies as a replacement dwelling.

§12–119.

On or before July 1, 2025, and each July 1 thereafter, the collector or the clerk of the circuit court for the county, whichever is designated to collect recordation tax for the county, shall submit a report, in accordance with § 2–1257 of the State Government Article, to the Senate Budget and Taxation Committee and the House Ways and Means Committee that includes, for the immediately preceding fiscal year:

(1) the total number of indemnity mortgages recorded that were exempt from recordation tax under § 12–105(f)(7)(iii)2 of this title;

(2) the amount of debt secured by each indemnity mortgage that was exempt from recordation tax under § 12–105(f)(7)(iii)2 of this title; and

(3) the amount of recordation tax revenue forgone due to the indemnity mortgage exemption from recordation tax under § 12–105(f)(7)(iii)2 of this title.

§13–101.

(a) In this title the following words have the meanings indicated.

(b) "Articles of consolidation" means a document filed with the Department under § 3–107 of the Corporations and Associations Article which evidences a consolidation of at least one Maryland corporation with another corporation to form a new Maryland corporation.

(c) "Articles of merger" means a document filed with the Department under § 3–107, § 4A–703, § 9A–903, or § 10–208 of the Corporations and Associations Article which evidences a merger involving at least one Maryland corporation, Maryland limited liability company, Maryland partnership, or Maryland limited partnership.

(d) "Documents which evidence the merger or consolidation of foreign corporations, foreign partnerships, foreign limited liability companies, or foreign limited partnerships" means those documents that are filed or recorded with:

(1) the Department under § 3–117, § 4A–1012, § 9A–910, or § 10–912 of the Corporations and Associations Article; or

(2) the clerk of the circuit court of a county evidencing that title to real property has been conveyed through a merger or consolidation of 2 or more foreign corporations, foreign partnerships, foreign limited liability companies, or foreign limited partnerships.

(e) (1) "Instrument of writing" means a written instrument that conveys title to, or a leasehold interest in, real property.

(2) "Instrument of writing" includes:

(i) a deed or contract;

(ii) a lease;

(iii) an assignment of a lessee's interest;

(iv) articles of merger or other document which evidences a merger of foreign corporations, foreign limited liability companies, foreign partnerships, or foreign limited partnerships; and

(v) articles of consolidation or other document which evidences a consolidation of foreign corporations.

(3) "Instrument of writing" does not include:

(i) a mortgage, deed of trust, or other contract that creates an encumbrance on real property; or

(ii) a security agreement, as defined in § 12–101(l) of this article.

(f) "Subsidiary corporation" includes any corporation that is a subsidiary of either a parent corporation or any other subsidiary corporation of the parent corporation.

(g) "Successor" has the meaning stated in § 1–101(dd) of the Corporations and Associations Article.

§13–102.

By agreement, a transfer tax under this title may be paid by any person.

§13–103.

(a) In this section, "controlling interest", "real property", and "real property entity" have the meanings stated in § 12–117 of this article.

(b) (1) The taxes under this title are imposed on the transfer of a controlling interest in a real property entity as if the real property, directly or beneficially owned by the real property entity, was conveyed by an instrument of writing that is recorded with the clerk of the circuit court for a county or filed with the Department under § 13–202 of this title.

(2) The taxes under this section are imposed on the consideration payable for the transfer of the controlling interest in the real property entity or on the value of the real property directly or beneficially owned by the real property entity, as provided in § 12–117(b)(2) of this article.

(3) (i) Except for the county transfer tax, the taxes under this section shall be applied at the rates established in this title.

(ii) The county transfer tax shall be applied at the rate imposed by the county where the real property is located.

(c) The taxes under this title are not imposed on the transfer of a controlling interest in a real property entity in any of the circumstances described:

(1) in § 13–207 of this title that exempts an instrument of writing from the transfer tax; or

(2) in § 12–117(c) of this article that exempts the transfer of a controlling interest in a real property entity from the recordation tax.

(d) In each instance in which a controlling interest in a real property entity is transferred, the provisions of § 12–117(d) and (e) of this article are applicable.

(e) This section does not apply in the circumstances described in § 12–117(f) of this article.

(f) The Department shall adopt regulations to administer this section in the same manner as in § 12–117(g) of this article.

§13–201.

In this subtitle, "transfer tax" means the tax imposed under this subtitle.

§13–202.

Except as otherwise provided in this subtitle, a transfer tax is imposed on an instrument of writing:

(1) recorded with the clerk of the circuit court for a county; or

(2) filed with the Department and described in § 12-103(d) of this article.

§13–203.

(a) (1) Except as provided in subsections (a–1) and (b) of this section, the rate of the transfer tax is 0.5% of the consideration payable for the instrument of writing.

(2) The consideration:

(i) includes the amount of any mortgage or deed of trust assumed by the grantee; and

(ii) subject to item (i) of this paragraph, includes only the amount paid or delivered in return for the sale of the property and does not include the amount of any debt forgiven or no longer secured by a mortgage or deed of trust on the property.

(a–1) (1) Except as provided in subsection (b) of this section, the rate of the transfer tax is 0.5% of the consideration paid for the transfer of a controlling interest in a real property entity as defined in § 13–103 of this title that has developed real property under Section 42 of the Internal Revenue Code, the Low Income Housing Tax Credit Program.

(2) The consideration under this subsection shall be the actual payment made by the purchaser to the seller for the purchase of the interest.

(b) (1) In this subsection, "first–time Maryland home buyer" means an individual who has never owned in the State residential real property that has been the individual's principal residence.

(2) If there are two or more grantees, this subsection does not apply unless each grantee is a first–time Maryland home buyer or a co–maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in § 12–108(i) of this article for the property and the co–maker or guarantor will not occupy the residence as the co–maker's or guarantor's principal residence.

(3) Notwithstanding any other provision of law, for a sale of improved residential real property to a first–time Maryland home buyer who will occupy the property as a principal residence, the rate of the transfer tax is 0.25% of the consideration payable for the instrument of writing and the transfer tax shall be paid entirely by the seller.

(4) To qualify for the exemption under paragraph (3) of this subsection, each grantee or an agent of the grantee shall provide a statement that is signed under oath by the grantee or agent of the grantee stating that:

(i) 1. the grantee is an individual who has never owned in the State residential real property that has been the individual's principal residence; and

2. the residence will be occupied by the grantee as the grantee's principal residence; or

(ii) 1. the grantee is a co–maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in § 12–108(i) of this article for the property; and

2. the grantee will not occupy the residence as the co–maker's or guarantor's principal residence.

(5) A statement under paragraph (4) of this subsection by an agent of a grantee shall state that the statement:

(i) is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(ii) is true to the best of the knowledge, information, and belief of the agent.

§13–204.

The consideration payable shall be described in:

(1) the recitals or the acknowledgment of the instrument of writing; or

(2) a statement under oath that accompanies the instrument of writing and that is signed by a party to the instrument or by an agent of a party.

§13–205.

(a) If a lease of real property creating a perpetually renewable ground rent is recorded without a transfer of the reversionary estate for full consideration other than the ground rent being recorded at the same time, the transfer tax applies to the redemption sum as determined under § 8–804 of the Real Property Article plus any additional consideration payable. If the lease is recorded at the same time with the transfer of the reversionary estate created for full consideration, the lease is not subject to transfer tax.

(b) Except as provided in § 13–207(a)(14) of this subtitle, for a lease of real property for a term of years not perpetually renewable, the transfer tax applies to:

(1) the average annual rent over the term of the lease, including renewals, capitalized at 10% plus any additional consideration payable, other than rent; or

(2) if the average annual rent cannot be determined, the greater of:

(i) 105% of the minimum average annual rent, as determined by the lease, capitalized at 10%, plus any additional consideration payable, other than rent; or

(ii) 60% of the assessment of the real property subject to lease.

(c) (1) In this subsection, "document":

(i) means any document that publicizes or gives constructive notice of an unrecorded lease; and

(ii) includes:

1. an attornment agreement;

2. a memorandum of a lease; and

3. an assignment of a lease.

(2) A document may be recorded only if the original lease is submitted and transfer tax on the document and the original lease is paid.

(3) Subject to § 13–102 of this title, the lessee is chargeable with transfer tax on the original lease. If a lessee fails or refuses to pay transfer tax after a demand is made, the party offering the original lease for recordation may:

(i) pay the recordation tax; and

(ii) sue the lessee to recover the amount of transfer tax paid, with interest from the date of payment of transfer tax.

(4) Transfer tax shall be paid on the original lease only if the original lease was required to be recorded under § 3–101 of the Real Property Article.

(d) (1) For a transfer under § 13–206 of this subtitle, the transfer tax applies to the value of the real property determined by the Department at the date of finality immediately before the date of transfer.

(2) For a transfer by articles of merger, articles of consolidation, or other documents which evidence a merger or consolidation of foreign corporations, foreign partnerships, foreign limited liability companies, or foreign limited partnerships, the transfer tax applies to the value of the real property determined by the Department at the date of finality immediately before the date of the merger or consolidation.

§13–206.

Except as provided in § 13-207(a)(9), (10), (15), and (16) of this subtitle, the transfer tax applies to conveyances that transfer the real property of a corporation to its stockholders, the real property of a limited liability company to its members, or the real property of a partnership to its partners.

§13–207.

(a) An instrument of writing is not subject to transfer tax to the same extent that it is not subject to recordation tax under:

(1) § 12–108(a) of this article (Transfer to government or public agency);

(2) § 12–108(c) of this article (Transfer between relatives and domestic partners);

(3) § 12–108(d) of this article (Transfer between spouses and domestic partners);

(4) § 12–108(e) of this article (Supplemental instrument);

(5) § 12–108(f) of this article (Previously recorded instrument);

(6) § 12–108(l) of this article (Judgments);

(7) § 12–108(n) of this article (Order of satisfaction);

(8) § 12–108(o) of this article (Participation agreement);

(9) § 12–108(p) of this article (Transfer of property between related business entities);

(10) § 12–108(q) of this article (Corporate or partnership conveyance);

(11) § 12–108(r) of this article (Land installment contracts);

(12) § 12–108(s) of this article (Options to purchase real property);

(13) § 12–108(t) of this article (Deed for prior contract of sale);

(14) § 12–108(u) of this article (Leases of 7 years or less);

(15) § 12–108(v) of this article (Mergers);

(16) § 12–108(w) of this article (Consolidations);

(17) § 12–108(x) of this article (Cooperative housing corporations);

(18) § 12–108(y) or (bb) of this article (Transfer from predecessor entity or real estate enterprise to limited liability company);

(19) § 12–108(z) of this article (Transfer from a Class I Railroad Carrier to its wholly owned limited liability company);

(20) § 12–108(aa) of this article (Transfers involving certain Maryland Stadium Authority affiliates);

(21) § 12–108(cc) of this article (Certain transfers to land trusts);

(22) § 12–108(dd) of this article (Transfer from an estate);

(23) § 12–108(ee) of this article (Transfer to a trust and transfer from a trust under specified circumstances);

(24) § 12–108(ff) of this article (Transfer from a certified community development financial institution);

(25) § 12–108(gg) of this article (Transfer of principal residence surrendered in bankruptcy); or

(26) § 12–108(hh) of this article (Transfer of real property within the Pimlico racing facility site, Pimlico site, Bowie Race Course Training Center property, or training facility site).

(b) (1) An instrument of writing that transfers agricultural land that the transferee is acquiring for the purpose of maintaining the character of the land as agricultural land is not subject to the transfer tax, if the transferee:

(i) is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code;

(ii) is incorporated, qualified, or registered to do business in the State;

(iii) has as its principal purpose the preservation of agricultural land, including the temporary ownership of an interest in land for the purpose of preserving the character of the land as agricultural land; and

(iv) has been certified by the Department as meeting the requirements of this paragraph.

(2) If a transferee notifies the Department at least 7 days before the date of transfer of property to the transferee, the Department shall notify, in writing, the clerk of the circuit court for the county in which the property being transferred is located of the name and address of each transferee that has been certified under paragraph (1) of this subsection.

(c) An instrument of writing is not subject to the transfer tax, if the instrument of writing transfers property from:

(1) the United States;

(2) the State;

(3) an agency of the State; or

(4) a political subdivision in the State.

§13–208.

(a) Transfer tax on an instrument of writing that is taxable under this subtitle shall be paid to the clerk of the circuit court where the instrument of writing is recorded or to the Department.

(b) An instrument of writing taxable under this subtitle may not be recorded in any county unless a statement is attached to or stamped on the instrument of writing that indicates:

(1) that transfer tax has been paid; and

(2) the amount of transfer tax paid.

(c) The presence of the statement required by subsection (b) of this section on an instrument of writing is prima facie evidence of payment of transfer tax.

§13–209. IN EFFECT

(a) (1) Before any other distribution under this section, in any fiscal year that bonds secured by a pledge of the State transfer tax are outstanding, the revenue from the transfer tax shall be used to pay, as and when due, the principal of and interest on the bonds.

(2) The Department shall deduct the cost of administering the transfer tax from the taxes collected under this title and credit those revenues to the fund established under § 1–203.3 of the Corporations and Associations Article.

(3) Except as provided in paragraph (4) of this subsection, after deducting the revenues required under paragraphs (1) and (2) of this subsection, the revenue from transfer tax is payable to the Comptroller for deposit in a special fund.

(4) In any fiscal year in which transfer tax revenue is used to pay debt service on outstanding bonds under paragraph (1) of this subsection, the distribution of revenues in the special fund under this section and as specified in § 5–903(a)(2)(i)1A of the Natural Resources Article, for State land acquisition, or to the

Agricultural Land Preservation Fund to the extent any debt service is attributable to that Fund, shall be reduced by an amount equal to the debt service for the fiscal year.

(b) For the fiscal year beginning July 1, 2002 and for subsequent fiscal years, up to 3% of the revenues in the special fund may be appropriated in the State budget for salaries and related expenses in the Departments of General Services and Natural Resources and in the Department of Planning necessary to administer Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space).

(c) (1) Subject to subsection (e) of this section, of the balance of the revenue in the special fund, not required under subsection (b) of this section:

(i) for the fiscal year beginning July 1, 2002, $47,268,585 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section;

(ii) for the fiscal year beginning July 1, 2003, $102,833,869 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in the State budget;

(iii) for the fiscal year beginning July 1, 2004, $147,374,444 shall be allocated to the General Fund of the State, and the remainder shall be allocated as provided in the State budget; and

(iv) for the fiscal year beginning July 1, 2005, $68,223,132 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section.

(2) Subject to subsection (e) of this section, for the fiscal years beginning July 1, 2006 and each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section shall be allocated as provided in subsection (d) of this section.

(d) Subject to subsections (d–1) and (e) of this section, for the fiscal year beginning July 1, 2002 and for each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section and not allocated to the General Fund under subsection (c)(1) of this section shall be allocated in the State budget as follows:

(1) (i) 75.15% for the purposes specified in Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space); and

(ii) an additional 1% for Program Open Space, for land acquisition purposes as specified in § 5–903(a)(2) of the Natural Resources Article;

(2) 17.05% for the Agricultural Land Preservation Fund established under § 2–505 of the Agriculture Article;

(3) 5% for the Rural Legacy Program established under § 5–9A–01 of the Natural Resources Article; and

(4) 1.8% for the Heritage Conservation Fund established under § 5–1501 of the Natural Resources Article.

(d–1) (1) In this subsection, "eligible purpose" means a purpose, program, or fund to which revenue in the special fund is required to be allocated under subsection (d) of this section.

(2) For any fiscal year beginning on or after July 1, 2010, but before July 1, 2013, for which funding is provided for an eligible purpose through the State Consolidated Capital Bond Funding Program or other bond enabling act:

(i) from the balance of the special fund, before the allocations under subsection (d) of this section are made, an amount shall be allocated to the General Fund of the State equal to the total amount of funding provided for eligible purposes through the bond enabling act; and

(ii) except as otherwise expressly provided under the bond enabling act through which the funding is provided, the allocations provided under subsection (d) of this section shall be adjusted to reduce the amount that would otherwise be allocated for each eligible purpose by the amount of funding provided for that purpose under the bond enabling act.

(3) Notwithstanding any other provision of law, a transfer under this subsection may not be taken into account for purposes of determining any allocation or appropriation required under subsection (f) or (g) of this section.

(e) The sums allocated in subsection (d) of this section may not revert to the General Fund of the State.

(f) (1) (i) Except as provided in subparagraphs (ii) and (iii) of this paragraph, for any fiscal year in which the actual transfer tax revenue collections are greater than the revenue estimates used as the basis for the appropriations required under this section for the fiscal year, the amount of the excess shall be allocated to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the fiscal year in which there is an excess.

(ii) 1. Notwithstanding subparagraph (i) of this paragraph or any other provision of law, $21,776,868 of the transfer tax collected but not appropriated or transferred in fiscal 2004 shall be transferred to the General Fund of the State.

2. Notwithstanding subparagraph (i) of this paragraph or any other provision of law, if in fiscal year 2023 the actual transfer tax revenue collections are greater than the revenue estimates used as the basis for the appropriations required under this section for fiscal year 2023, the amount of the excess may be allocated to the Local Land Trust Revolving Loan Fund in fiscal year 2025.

(iii) Notwithstanding subparagraph (i) of this paragraph or any other provision of law, in any fiscal year in which an appropriation or transfer is made from the special fund to the General Fund, if the actual transfer tax revenue collections for the prior fiscal year exceed the budget estimate for the prior fiscal year, the excess shall be allocated in the current fiscal year for Program Open Space, the Agricultural Land Preservation Fund, the Rural Legacy Program, and the Heritage Conservation Fund. Funds made available under this subparagraph shall be allocated as provided under subsection (d) of this section.

(2) For any fiscal year in which the actual transfer tax revenue collections are less than the revenue estimates used as the basis for the appropriations required under this section, the amount of the deficiency shall be reconciled as follows:

(i) for the first $3,000,000 of any deficiency, the allocation to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the deficiency shall be reduced by either the amount of the deficiency or $3,000,000, whichever is less;

(ii) for any deficiency in excess of $3,000,000, the amount in excess of $3,000,000 shall be reconciled either by the reduction of the allocation to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the deficiency or by the deauthorization of projects authorized in prior fiscal years;

(iii) for the allocation of the special fund under subsection (a) of this section, in the fiscal year beginning July 1, 2016, transfer tax revenue under–attainment from the fiscal year beginning July 1, 2014, will not be applied; and

(iv) transfer tax revenue in fiscal year 2015, that is in excess of $161,016,000 may be transferred by budget amendment in fiscal year 2016 for:

1. administrative expenses related to land acquisition for Program Open Space;

2. critical maintenance projects in the Department of Natural Resources;

3. Natural Resources Development Fund projects in the Department of Natural Resources; and

4. replacement of General Fund appropriations in the Maryland Park Service.

(3) (i) Any amounts to be deauthorized from prior fiscal years under paragraph (2)(ii) of this subsection shall be proposed by the Governor in the budget of the second fiscal year following the fiscal year in which there is a deficiency.

(ii) An amount may be deauthorized under this paragraph only as provided in the State budget bill, as enacted.

(g) (1) (i) The Governor shall include in the annual budget bill for fiscal year 2023 a General Fund appropriation to the special fund in the amount of $12,500,000.

(ii) The appropriation required under subparagraph (i) of this paragraph:

1. is not subject to the provisions of subsections (a), (b), (c), and (f) of this section;

2. shall be allocated as provided in subsection (d) of this section and § 5–903 of the Natural Resources Article; and

3. shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

A. exceeds the required appropriation under this paragraph; and

B. is identified as an appropriation for reimbursement under this paragraph.

(2) (i) The Governor shall include in the annual budget bill for fiscal year 2023 a General Fund appropriation to the special fund in the amount of $6,000,000 for park development and the critical maintenance of State projects

located on lands managed by the Department of Natural Resources for public purposes.

(ii) The appropriation required under subparagraph (i) of this paragraph:

1. is not subject to the provisions of subsections (a), (b), (c), and (f) of this section; and

2. shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

A. exceeds the required appropriation under this paragraph;

B. is identified as an appropriation for reimbursement under this paragraph; and

C. supplements rather than supplants the Department of Natural Resources funding for the critical maintenance of State projects on State lands, based on the average critical maintenance budget of the 10 years preceding the appropriation.

(3) (i) 1. For fiscal year 2023, the Governor shall include in the annual budget bill a General Fund appropriation in the amount of $2,500,000 to the Maryland Agricultural and Resource–Based Industry Development Corporation for the Next Generation Farmland Acquisition Program authorized under § 10–523(a)(3)(ii) of the Economic Development Article.

2. For fiscal year 2025 only, the Governor shall include in the annual budget bill a General Fund appropriation in the amount of $2,735,000 to the Maryland Agricultural and Resource–Based Industry Development Corporation established under Title 10, Subtitle 5 of the Economic Development Article to be used as follows:

A. $2,300,000 to support the Corporation's rural business loan programs and small matching grant programs; and

B. $435,000 for grants and near–equity investments to:

I. support the creation or expansion of agricultural product aggregation and storage sites; and

II. facilitate participation in the Certified Local Farm and Fish Program.

3. For each of fiscal years 2024, 2025, 2026, and 2027, the Governor shall include in the annual budget bill a General Fund appropriation of $500,000 to the Urban Agriculture Water and Power Infrastructure Grant Fund established under § 2–2103 of the Agriculture Article.

(ii) The appropriations required under subparagraph (i) of this paragraph:

1. are not subject to the provisions of subsections (a), (b), (c), and (f) of this section;

2. shall be allocated as provided in subsection (d) of this section and § 5–903 of the Natural Resources Article; and

3. shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

A. exceeds the required appropriation under this paragraph; and

B. is identified as an appropriation for reimbursement under this paragraph.

(h) (1) If an appropriation or a transfer from the special fund to the General Fund occurs after the fiscal year ending June 30, 2018, the Governor shall include in the annual budget bills for each of the 3 successive fiscal years following the fiscal year in which a transfer is made a General Fund appropriation to the special fund equal to one–third of the cumulative amount of the appropriation or transfer from the special fund to the General Fund for the applicable fiscal year.

(2) The appropriation required under paragraph (1) of this subsection:

(i) represents reimbursement for the cumulative amount of any appropriation or transfer from the special fund to the General Fund for the applicable fiscal year;

(ii) is not subject to the provisions of subsections (a), (b), (c), and (f) of this section;

(iii) shall be allocated as provided in subsection (d) of this section and § 5–903 of the Natural Resources Article;

(iv) shall be made until the cumulative total appropriated under paragraph (1) of this subsection is equal to the cumulative amount of any appropriation or transfer from the special fund to the General Fund for the applicable fiscal year; and

(v) shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

1. exceeds the required appropriation under this subsection; and

2. is identified as an appropriation for reimbursement under this subsection.

(i) (1) The distributions required under this subsection may not be utilized or considered for the purposes of calculating any allocation or appropriation under subsection (f) or (g) of this section.

(2) Notwithstanding any other provision of law, the Governor may transfer funds from the special fund established under this section to the General Fund as follows:

(i) on or before June 30, 2014, $89,198,555;

(ii) for the fiscal year beginning July 1, 2014, $144,188,544;

(iii) for the fiscal year beginning July 1, 2015, $115,366,700;

(iv) for the fiscal year beginning July 1, 2016, $62,771,000; and

(v) for the fiscal year beginning July 1, 2017, $46,028,000.

§13–209. // EFFECTIVE SEPTEMBER 30, 2026 PER CHAPTER 546 OF 2023 //

(a) (1) Before any other distribution under this section, in any fiscal year that bonds secured by a pledge of the State transfer tax are outstanding, the revenue from the transfer tax shall be used to pay, as and when due, the principal of and interest on the bonds.

(2) The Department shall deduct the cost of administering the transfer tax from the taxes collected under this title and credit those revenues to the fund established under § 1–203.3 of the Corporations and Associations Article.

(3) Except as provided in paragraph (4) of this subsection, after deducting the revenues required under paragraphs (1) and (2) of this subsection, the revenue from transfer tax is payable to the Comptroller for deposit in a special fund.

(4) In any fiscal year in which transfer tax revenue is used to pay debt service on outstanding bonds under paragraph (1) of this subsection, the distribution of revenues in the special fund under this section and as specified in § 5–903(a)(2)(i)1A of the Natural Resources Article, for State land acquisition, or to the Agricultural Land Preservation Fund to the extent any debt service is attributable to that Fund, shall be reduced by an amount equal to the debt service for the fiscal year.

(b) For the fiscal year beginning July 1, 2002 and for subsequent fiscal years, up to 3% of the revenues in the special fund may be appropriated in the State budget for salaries and related expenses in the Departments of General Services and Natural Resources and in the Department of Planning necessary to administer Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space).

(c) (1) Subject to subsection (e) of this section, of the balance of the revenue in the special fund, not required under subsection (b) of this section:

(i) for the fiscal year beginning July 1, 2002, $47,268,585 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section;

(ii) for the fiscal year beginning July 1, 2003, $102,833,869 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in the State budget;

(iii) for the fiscal year beginning July 1, 2004, $147,374,444 shall be allocated to the General Fund of the State, and the remainder shall be allocated as provided in the State budget; and

(iv) for the fiscal year beginning July 1, 2005, $68,223,132 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section.

(2) Subject to subsection (e) of this section, for the fiscal years beginning July 1, 2006 and each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section shall be allocated as provided in subsection (d) of this section.

(d) Subject to subsections (d–1) and (e) of this section, for the fiscal year beginning July 1, 2002 and for each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section and not allocated to the General Fund under subsection (c)(1) of this section shall be allocated in the State budget as follows:

(1) (i) 75.15% for the purposes specified in Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space); and

(ii) an additional 1% for Program Open Space, for land acquisition purposes as specified in § 5–903(a)(2) of the Natural Resources Article;

(2) 17.05% for the Agricultural Land Preservation Fund established under § 2–505 of the Agriculture Article;

(3) 5% for the Rural Legacy Program established under § 5–9A–01 of the Natural Resources Article; and

(4) 1.8% for the Heritage Conservation Fund established under § 5–1501 of the Natural Resources Article.

(d–1) (1) In this subsection, "eligible purpose" means a purpose, program, or fund to which revenue in the special fund is required to be allocated under subsection (d) of this section.

(2) For any fiscal year beginning on or after July 1, 2010, but before July 1, 2013, for which funding is provided for an eligible purpose through the State Consolidated Capital Bond Funding Program or other bond enabling act:

(i) from the balance of the special fund, before the allocations under subsection (d) of this section are made, an amount shall be allocated to the General Fund of the State equal to the total amount of funding provided for eligible purposes through the bond enabling act; and

(ii) except as otherwise expressly provided under the bond enabling act through which the funding is provided, the allocations provided under subsection (d) of this section shall be adjusted to reduce the amount that would otherwise be allocated for each eligible purpose by the amount of funding provided for that purpose under the bond enabling act.

(3) Notwithstanding any other provision of law, a transfer under this subsection may not be taken into account for purposes of determining any allocation or appropriation required under subsection (f) or (g) of this section.

(e) The sums allocated in subsection (d) of this section may not revert to the General Fund of the State.

(f) (1) (i) Except as provided in subparagraphs (ii) and (iii) of this paragraph, for any fiscal year in which the actual transfer tax revenue collections are greater than the revenue estimates used as the basis for the appropriations required under this section for the fiscal year, the amount of the excess shall be allocated to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the fiscal year in which there is an excess.

(ii) Notwithstanding subparagraph (i) of this paragraph or any other provision of law, $21,776,868 of the transfer tax collected but not appropriated or transferred in fiscal 2004 shall be transferred to the General Fund of the State.

(iii) Notwithstanding subparagraph (i) of this paragraph or any other provision of law, in any fiscal year in which an appropriation or transfer is made from the special fund to the General Fund, if the actual transfer tax revenue collections for the prior fiscal year exceed the budget estimate for the prior fiscal year, the excess shall be allocated in the current fiscal year for Program Open Space, the Agricultural Land Preservation Fund, the Rural Legacy Program, and the Heritage Conservation Fund. Funds made available under this subparagraph shall be allocated as provided under subsection (d) of this section.

(2) For any fiscal year in which the actual transfer tax revenue collections are less than the revenue estimates used as the basis for the appropriations required under this section, the amount of the deficiency shall be reconciled as follows:

(i) for the first $3,000,000 of any deficiency, the allocation to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the deficiency shall be reduced by either the amount of the deficiency or $3,000,000, whichever is less;

(ii) for any deficiency in excess of $3,000,000, the amount in excess of $3,000,000 shall be reconciled either by the reduction of the allocation to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the deficiency or by the deauthorization of projects authorized in prior fiscal years;

(iii) for the allocation of the special fund under subsection (a) of this section, in the fiscal year beginning July 1, 2016, transfer tax revenue under–attainment from the fiscal year beginning July 1, 2014, will not be applied; and

(iv) transfer tax revenue in fiscal year 2015, that is in excess of $161,016,000 may be transferred by budget amendment in fiscal year 2016 for:

1. administrative expenses related to land acquisition for Program Open Space;

2. critical maintenance projects in the Department of Natural Resources;

3. Natural Resources Development Fund projects in the Department of Natural Resources; and

4. replacement of General Fund appropriations in the Maryland Park Service.

(3) (i) Any amounts to be deauthorized from prior fiscal years under paragraph (2)(ii) of this subsection shall be proposed by the Governor in the budget of the second fiscal year following the fiscal year in which there is a deficiency.

(ii) An amount may be deauthorized under this paragraph only as provided in the State budget bill, as enacted.

(g) (1) (i) The Governor shall include in the annual budget bill for fiscal year 2023 a General Fund appropriation to the special fund in the amount of $12,500,000.

(ii) The appropriation required under subparagraph (i) of this paragraph:

1. is not subject to the provisions of subsections (a), (b), (c), and (f) of this section;

2. shall be allocated as provided in subsection (d) of this section and § 5–903 of the Natural Resources Article; and

3. shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

A. exceeds the required appropriation under this paragraph; and

B. is identified as an appropriation for reimbursement under this paragraph.

(2) (i) The Governor shall include in the annual budget bill for fiscal year 2023 a General Fund appropriation to the special fund in the amount of $6,000,000 for park development and the critical maintenance of State projects located on lands managed by the Department of Natural Resources for public purposes.

(ii) The appropriation required under subparagraph (i) of this paragraph:

1. is not subject to the provisions of subsections (a), (b), (c), and (f) of this section; and

2. shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

A. exceeds the required appropriation under this paragraph;

B. is identified as an appropriation for reimbursement under this paragraph; and

C. supplements rather than supplants the Department of Natural Resources funding for the critical maintenance of State projects on State lands, based on the average critical maintenance budget of the 10 years preceding the appropriation.

(3) (i) 1. For fiscal year 2023, the Governor shall include in the annual budget bill a General Fund appropriation in the amount of $2,500,000 to the Maryland Agricultural and Resource–Based Industry Development Corporation for the Next Generation Farmland Acquisition Program authorized under § 10–523(a)(3)(ii) of the Economic Development Article.

2. For fiscal year 2025 only, the Governor shall include in the annual budget bill a General Fund appropriation in the amount of $2,735,000 to the Maryland Agricultural and Resource–Based Industry Development Corporation established under Title 10, Subtitle 5 of the Economic Development Article to be used as follows:

A. $2,300,000 to support the Corporation's rural business loan programs and small matching grant programs; and

B. $435,000 for grants and near–equity investments to:

I. support the creation or expansion of agricultural product aggregation and storage sites; and

II. facilitate participation in the Certified Local Farm and Fish Program.

3. For each of fiscal years 2024, 2025, 2026, and 2027, the Governor shall include in the annual budget bill a General Fund appropriation of $500,000 to the Urban Agriculture Water and Power Infrastructure Grant Fund established under § 2–2103 of the Agriculture Article.

(ii) The appropriations required under subparagraph (i) of this paragraph:

1. are not subject to the provisions of subsections (a), (b), (c), and (f) of this section;

2. shall be allocated as provided in subsection (d) of this section and § 5–903 of the Natural Resources Article; and

3. shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

A. exceeds the required appropriation under this paragraph; and

B. is identified as an appropriation for reimbursement under this paragraph.

(h) (1) If an appropriation or a transfer from the special fund to the General Fund occurs after the fiscal year ending June 30, 2018, the Governor shall include in the annual budget bills for each of the 3 successive fiscal years following the fiscal year in which a transfer is made a General Fund appropriation to the special fund equal to one–third of the cumulative amount of the appropriation or transfer from the special fund to the General Fund for the applicable fiscal year.

(2) The appropriation required under paragraph (1) of this subsection:

(i) represents reimbursement for the cumulative amount of any appropriation or transfer from the special fund to the General Fund for the applicable fiscal year;

(ii) is not subject to the provisions of subsections (a), (b), (c), and (f) of this section;

(iii) shall be allocated as provided in subsection (d) of this section and § 5–903 of the Natural Resources Article;

(iv) shall be made until the cumulative total appropriated under paragraph (1) of this subsection is equal to the cumulative amount of any appropriation or transfer from the special fund to the General Fund for the applicable fiscal year; and

(v) shall be reduced by the amount of any appropriation from the General Fund to the special fund that:

1. exceeds the required appropriation under this subsection; and

2. is identified as an appropriation for reimbursement under this subsection.

(i) (1) The distributions required under this subsection may not be utilized or considered for the purposes of calculating any allocation or appropriation under subsection (f) or (g) of this section.

(2) Notwithstanding any other provision of law, the Governor may transfer funds from the special fund established under this section to the General Fund as follows:

(i) on or before June 30, 2014, $89,198,555;

(ii) for the fiscal year beginning July 1, 2014, $144,188,544;

(iii) for the fiscal year beginning July 1, 2015, $115,366,700;

(iv) for the fiscal year beginning July 1, 2016, $62,771,000; and

(v) for the fiscal year beginning July 1, 2017, $46,028,000.

§13–301.

(a) In this subtitle the following words have the meanings indicated.

(b) "Agricultural land" means real property that is or was assessed on the basis of farm or agricultural use under § 8–209 of this article.

(c) (1) "Agricultural land transfer tax" means the tax imposed under § 13–302 of this subtitle.

(2) "Agricultural land transfer tax" does not include the surcharge imposed under § 13–303(d) of this subtitle.

(d) (1) "Total value" means the value of the property as stated in the most recent assessment roll.

(2) "Total value" includes any adjustment in the value of improvements that result from an increase in construction costs as determined by the Department as of the most recent date of finality.

§13–302.

(a) Except as otherwise provided in § 13-305 of this subtitle, agricultural land transfer tax is imposed on an instrument of writing that transfers title to agricultural land.

(b) Agricultural land transfer tax is payable in addition to any other transfer tax imposed under this title.

(c) An instrument of writing subject to agricultural land transfer tax may not be recorded in any county until the agricultural land transfer tax is paid to the collector for the county or paid to the Department.

(d) An instrument of writing subject to agricultural land transfer tax may not be filed with the Department until the agricultural land transfer tax is paid to the Department or the collector for the county.

§13–303.

(a) The agricultural land transfer tax applies at the following rates:

(1) for a transfer of 20 acres or more of agricultural land, 5%;

(2) except as provided in item (3) of this subsection, for a transfer of less than 20 acres of agricultural land assessed for agricultural use or as unimproved agricultural land, 4%; or

(3) for a transfer of less than 20 acres of agricultural land assessed as improved agricultural land or agricultural land with site improvements, 3%.

(b) If an instrument of writing is subject to different rates of agricultural land transfer tax under subsection (a) of this section, the total agricultural land transfer tax due is computed separately for each portion of agricultural land to which a different rate applies.

(c) Except as provided by § 13–305(b)(2) or (c)(4) of this subtitle, the agricultural land transfer tax determined under subsection (a) or subsection (b) of this section is reduced by:

(1) 25% if property tax on the agricultural land was paid on the basis of any assessment other than the farm or agricultural use assessment under § 8–209 of this article for 1 full taxable year before a transfer;

(2) 50% if property tax on the agricultural land was paid on the basis of any assessment other than the farm or agricultural use assessment under § 8–209 of this article for 2 full consecutive taxable years before a transfer; and

(3) 65% if property tax on the agricultural land was paid on the basis of any assessment other than the farm or agricultural use assessment under § 8–209 of this article for 3 or more full consecutive taxable years before a transfer.

(d) (1) Except as provided in paragraph (2) of this subsection, in addition to the agricultural land transfer tax, a surcharge in an amount equal to 25% of the tax determined under subsections (a) through (c) of this section is imposed on an instrument of writing that transfers title to agricultural land.

(2) The surcharge imposed under paragraph (1) of this subsection does not apply to an instrument of writing that transfers property of 2 acres or less to be improved to a child or grandchild of the owner.

(e) When determining the rate of the agricultural land transfer tax to be imposed under subsection (a) or (b) of this section, the amount of agricultural land transferred that is exempt from the tax in accordance with § 13–305 of this subtitle may not be included in the amount of agricultural land that is transferred.

§13–304.

(a) The agricultural land transfer tax is imposed on the consideration payable for the instrument of writing less:

(1) the total value of any improvements on the property; and

(2) the total value of any land not subject to the agricultural land transfer tax.

(b) (1) If an instrument of writing transfers agricultural land with an improvement that has not been assessed by the supervisor, the grantor shall notify the supervisor at least 7 days before the date of transfer.

(2) For the purposes of paragraph (1) of this subsection, the supervisor shall:

(i) determine the estimated total value of the improvements on the most recent date of finality; and

(ii) give the grantor at the time of the transfer a notice of the estimated value of the improvements.

(3) The grantor may appeal the estimated total value stated in the notice as provided by § 8-407 of this article.

§13–305.

(a) If the amount of agricultural land transferred is not greater than the applicable residential minimum zoning size in effect at the time of transfer, an instrument of writing for the residential use of the owner of the agricultural land or the owner's immediate family is not subject to the agricultural land transfer tax.

(b) (1) Except as provided in paragraph (2) of this subsection, an instrument of writing that transfers title to agricultural land that is eligible for farm or agricultural use assessment under § 8–209 of this article is not subject to the agricultural land transfer tax if the transferee:

(i) files with the supervisor before the transfer a declaration of intent to farm the agricultural land that specifies that all of the transferred agricultural land will remain in farm or agricultural use for at least 5 full consecutive taxable years; and

(ii) applies for farm or agricultural use assessment under § 8–209 of this article for the land that is transferred.

(2) (i) If there is a failure to comply with a declaration of intent filed under paragraph (1) of this subsection including the building of nonagricultural improvements or nonagricultural site improvements or there is a failure to qualify for the farm or agricultural use assessment under § 8–209 of this article during the time that a declaration of intent is in effect, the agricultural land transfer tax, plus penalty, is due on that portion of the land that fails to comply with the declaration of intent or to qualify for farm or agricultural use.

(ii) The tax and penalty due under this subsection are a lien on the agricultural land that was transferred. The tax and penalty are due on the earlier of:

1. the next date on which property tax on the agricultural land is due under § 10–102 of this article; or

2. the date of the next transfer of any part of the agricultural land.

(3) For the purpose of paragraph (2) of this subsection, the supervisor shall calculate the amount of the agricultural land transfer tax due by:

(i) determining the fair market value of the land subject to the tax as of the most recent July 1 and providing the property owner with a notice of that value, which the property owner may appeal as provided by § 8–404 of this article;

(ii) multiplying the fair market value of the land subject to the tax by the rate of tax provided under § 13–303 of this subtitle; and

(iii) adding to the tax calculated under subparagraph (ii) of this paragraph a penalty in the amount of 10% of the tax due.

(c) (1) An instrument of writing that transfers title to agricultural land that is eligible for farm or agricultural use assessment or that received the agricultural use assessment as of the most recent July 1 under § 8–209 of this article is subject to the agricultural land transfer tax as provided in paragraph (2) of this subsection, if the transferee:

(i) files with the supervisor before the transfer a declaration of intent to farm the land that specifies that part of the agricultural land will remain in farm or agricultural use for at least 5 full consecutive taxable years;

(ii) for a parcel that can be further subdivided into 2 or more parcels, provides the supervisor with a survey that accurately identifies the location of the land and the amount of acreage that is subject to the declaration of intent; and

(iii) applies for farm or agricultural use assessment for part of the agricultural land that is transferred.

(2) The agricultural land transfer tax applies to the value of the land not subject to the declaration of intent, exclusive of the items stated in § 13–304 of this subtitle.

(3) For the purpose of paragraph (2) of this subsection, the supervisor:

(i) shall determine the fair market value of the land not subject to the declaration of intent as of the most recent July 1 and provide the transferee with a notice of that value, which the transferee may appeal as provided by § 8–404 of this article; and

(ii) calculate the amount of the tax due by multiplying the fair market value of the land subject to the tax by the rate of the tax provided under § 13–303 of this subtitle.

(4) If there is a failure to comply with a declaration of intent filed under paragraph (1) of this subsection or a failure to qualify for the farm or agricultural use assessment under § 8–209 of this article during the time that a declaration of intent is in effect, the agricultural land transfer tax, plus penalty, is due on the land subject to the declaration of intent.

(5) The tax and penalty due under this subsection are a lien on the agricultural land that was transferred. The tax and penalty are due on the earlier date of:

(i) the date on which property tax on the agricultural land is due under § 10–102 of this article; or

(ii) the date of the next transfer of any part of the agricultural land.

(6) For the purpose of paragraph (4) of this subsection, the supervisor shall calculate the amount of the agricultural land transfer tax due by:

(i) determining the fair market value of the land subject to the tax as of the most recent July 1 and providing the property owner with a notice of that value, which the property owner may appeal as provided by § 8–404 of this article;

(ii) multiplying the fair market value of the land subject to the tax by the rate of the tax under § 13–303 of this subtitle; and

(iii) adding to the tax calculated under subparagraph (ii) of this paragraph a penalty in the amount of 10% of the tax due.

(d) The owner of real property which is subject to the agricultural use assessment must notify the Department when there is:

(1) a failure to comply with a declaration of intent; or

(2) failure to continue the property in agricultural use.

(e) If there is a failure to comply with a declaration of intent filed under subsection (b) or subsection (c) of this section, the supervisor in determining the fair market value of the land subject to the violation shall:

(1) identify the size and location of the land by:

(i) making a physical inspection of the property;

(ii) considering pertinent governmental records such as building permits, zoning maps, and regulations;

(iii) considering information provided by the property owner; and

(iv) determining that in the case of the building of a dwelling for the residential use of the owner, the size of the building site is 1 acre unless more land is actually used; and

(2) appraise the land utilizing generally accepted appraisal approaches including consideration of the sales of comparable land.

(f) For the purposes of subsections (c) and (e) of this section, if under current governmental land use regulations the parcel cannot be further subdivided into 2 or more parcels, the supervisor shall:

(1) appraise the entire parcel; and

(2) apportion the amount of the total market value of the parcel to that part of the parcel subject to the tax in accordance with generally accepted appraisal approaches including consideration of prevailing homesite land values in that area.

(g) In addition to the exemptions otherwise provided by this section, the agricultural land transfer tax does not apply to an instrument of writing described in § 13–207(a) of this title.

(h) The agricultural land transfer tax does not apply to an instrument of writing that transfers title to agricultural land that was previously transferred by an instrument of writing that was subject to the agricultural land transfer tax.

§13–306.

(a) (1) Except in Montgomery County and except as provided in subsection (b)(1) of this section for a certified county, each county collector shall remit from a special account to the Comptroller, as the Comptroller specifies:

(i) the revenue from:

1. the agricultural transfer tax that is attributable to the taxation of instruments of writing that transfer title to parcels of land that are entirely woodland; and

2. the surcharge imposed under § 13–303(d) of this subtitle; and

(ii) two–thirds of the balance of revenue from the agricultural land transfer tax that remains after the remittance under item (i) of this paragraph.

(2) In Montgomery County, if § 52–21(d) (1979) of the Montgomery County Code is in effect or a transfer tax substantially similar to that provision is in effect, the collector for Montgomery County shall remit to the Comptroller:

(i) the revenue from:

1. the agricultural transfer tax that is attributable to the taxation of instruments of writing that transfer title to parcels of land that are entirely woodland; and

2. the surcharge imposed under § 13–303(d) of this subtitle; and

(ii) one–third of the balance of revenue from the agricultural transfer tax that remains after the remittance under item (i) of this paragraph.

(3) The Comptroller shall deposit:

(i) up to $200,000 annually of the revenue remitted under paragraphs (1)(i) and (2)(i) of this subsection or subsection (b) of this section into the Mel Noland Woodland Incentives Fund established in § 5–307 of the Natural Resources Article; and

(ii) of the revenue in excess of $200,000 annually remitted under paragraphs (1)(i) and (2)(i) of this subsection or subsection (b)(1) of this section and the revenue remitted under paragraphs (1)(ii) and (2)(ii) of this subsection or subsection (b)(2) of this section:

1. subject to paragraph (4) of this subsection, for fiscal year 2011 and each fiscal year thereafter, $2,756,250 into the Maryland Agricultural Land Preservation Fund to be used for the purposes stated in § 2–505 of the Agriculture Article;

2. after the distribution made under item 1 of this item, 37.5% of the agricultural land transfer tax revenue remitted to the Comptroller, up to a maximum of $4,000,000 annually, into a special fund to be used by the Maryland Agricultural and Resource–Based Industry Development Corporation for the Next Generation Farmland Acquisition Program; and

3. after the distributions made under items 1 and 2 of this item, the remainder into the Maryland Agricultural Land Preservation Fund to be used for the purposes stated in § 2–505 of the Agriculture Article.

(4) For each fiscal year after 2011, the amount distributed into the Maryland Agricultural Land Preservation Fund under paragraph (3)(ii)1 of this subsection shall be increased by 5% over the amount distributed for the preceding fiscal year.

(5) The revenues required to be distributed to the Maryland Agricultural and Resource–Based Industry Development Corporation under paragraph (3) of this subsection shall be distributed on a quarterly basis on or about the first day of the month in July, October, January, and April.

(b) If a county is certified by the Department of Planning and the Maryland Agricultural Land Preservation Foundation under § 5–408 of the State Finance and Procurement Article as having established an effective county agricultural land preservation program, the collector for the county shall remit to the Comptroller:

(1) the revenue from:

(i) the agricultural land transfer tax that is attributable to the taxation of instruments of writing that transfer title to parcels of land that are entirely woodland; and

(ii) the surcharge imposed under § 13–303(d) of this subtitle; and

(2) 25% of the balance of revenue from the agricultural land transfer tax that remains after the remittance under item (1) of this subsection.

(c) (1) In this subsection, "development rights" means the potential for improvement of a parcel of real property that is measured in dwelling units or units of commercial or industrial space and that exist because of the zoning classification of the parcel.

(2) Each county collector shall hold the remainder of the revenue in a special county account for 6 years to be used for an approved agricultural land preservation program that meets the requirements of this subsection, including use for bond annuity funds or matching funds.

(3) For purposes of this subsection, an approved agricultural land preservation program is a program to purchase development rights, guarantee loans that are collateralized by development rights or provide financial enhancements related to purchase of development rights, for agricultural land that, except as provided in paragraph (4) of this subsection, meets the minimum standards set by the Maryland Agricultural Land Preservation Foundation under § 2–509(d) of the Agriculture Article.

(4) In lieu of any acreage requirement set by the Foundation under § 2–509(d) of the Agriculture Article, development rights purchased by or collateralizing loans guaranteed by a county or financial enhancements related to purchase of development rights under this subsection shall be for agricultural land of significant size to promote an agricultural operation.

(5) (i) Subject to the limitation under subparagraph (ii) of this paragraph, the funds described in paragraph (2) of this subsection may be used to pay administrative expenses.

(ii) The costs of the administrative expenses may not exceed 10% of the funds or $30,000, whichever is the greater.

(6) This subsection does not prohibit any county from accepting funds from private sources and using those private funds to purchase development rights,

guarantee loans that are collateralized by development rights, or provide financial enhancements related to purchase of development rights.

(d) If any revenue in the special county account has not been expended or committed on or before 6 years from the date of deposit into the county account, the county collector shall remit that revenue to the Comptroller for deposit in the Maryland Agricultural Land Preservation Fund.

(e) From the agricultural land transfer tax collected by it, the Department shall remit the county part of the revenue to the collector for the county in which the land is located for distribution under this section.

§13–307.

The Department shall adopt regulations to implement this subtitle.

§13–308.

(a) When a contract is executed for the transfer of any interest in agricultural land, the seller shall notify the buyer, in writing, that the transfer may be subject to the agricultural land transfer tax.

(b) If a seller fails to notify a buyer as required by subsection (a) of this section, the seller is liable to the buyer for the agricultural land transfer tax paid by the buyer.

§13–401.

In this subtitle, "county transfer tax" means the transfer tax imposed by a county.

§13–402.

(a) This subtitle applies in any county where the county imposes a transfer tax.

(b) The provisions of this subtitle are in addition to the public local laws of a county that relate to transfer taxes.

§13–402.1.

(a) The governing body of a county that has adopted home rule powers under Article XI-F of the Maryland Constitution may impose a transfer tax on an instrument of writing:

(1) recorded with the clerk of the circuit court for the county; or

(2) filed with the Department.

(b) A transfer tax imposed under this section:

(1) may not exceed 0.5%; and

(2) does not apply to an instrument of writing exempt from the State transfer tax under § 13-207 of this title.

§13–403.

(a) In this section, "domestic partner", "evidence of a domestic partnership", "evidence of dissolution of a domestic partnership", and "former domestic partner" have the meanings stated in § 12–101 of this article.

(b) An instrument of writing that transfers property between spouses or former spouses or between domestic partners or former domestic partners in accordance with a property settlement, divorce decree, or dissolution of a domestic partnership is not subject to a county transfer tax.

(c) (1) To qualify as a domestic partner under this section, an individual shall submit evidence of a domestic partnership.

(2) To qualify as a former domestic partner under this section, an individual shall submit evidence of dissolution of a domestic partnership.

(d) The exemption under subsection (b) of this section for transfers between domestic partners or former domestic partners applies only to an instrument of writing for residential property.

§13–403.1.

An instrument of writing pursuant to which the Maryland Stadium Authority transfers title to, or creates a leasehold interest in, real property if the transferee or lessee is an Authority affiliate as defined in § 10–601 of the Economic Development Article is not subject to a county transfer tax.

§13–404.

(a) The Department shall collect county transfer tax at the rate set by each county for articles of consolidation or articles of merger filed with the Department as

required by § 3–107, § 4A–703, § 9A–903, or § 10–208 of the Corporations and Associations Article, or other document filed with the clerk of the circuit court of a county or the Department which evidences a merger or consolidation of foreign corporations, foreign limited liability companies, foreign partnerships, or foreign limited partnerships.

(b) (1) Articles of merger or other document which evidences a merger of foreign corporations are not subject to county transfer tax if the articles of merger or other document which evidences a merger of foreign corporations are for a transfer of real property from:

(i) a parent corporation to its subsidiary corporation;

(ii) a subsidiary corporation to its parent corporation where the parent corporation:

1. previously owned the real property;

2. owns the stock of the subsidiary and has owned that stock for a period greater than 18 months; or

3. acquires the stock of a subsidiary corporation which has been in existence and has owned the real property for a period of 2 years;

(iii) a corporation merging out of existence to its successor corporation where recordation tax and, if then required to have been paid, transfer tax were paid when the corporation merging out of existence acquired title to the real property; or

(iv) a corporation merging out of existence pursuant to reorganizations described in § 368(a) of the Internal Revenue Code.

(2) Articles of consolidation or other document which evidences a consolidation of foreign corporations are not subject to county transfer tax if the articles of consolidation or other document which evidences a consolidation of foreign corporations are for a transfer of real property from a consolidating corporation to its successor where recordation tax and, if then required to have been paid, transfer tax were paid when the corporation consolidating acquired title to the real property.

(c) A county that imposes a county transfer tax shall certify annually to the Department:

(1) the rate of the tax;

(2) the applicability of the county transfer tax; and

(3) the legal authority for the county transfer tax.

(d) The Department shall:

(1) collect any county transfer tax imposed under subsection (a) of this section;

(2) deduct the cost to the Department of collecting county transfer tax under this section; and

(3) distribute the remainder of the revenue to the county in which the property that is transferred is located.

(e) (1) Articles of merger, articles of consolidation, or other document which evidences a merger or consolidation of foreign corporations or foreign limited liability companies or foreign partnerships that are subject to county transfer tax under this section also may be taxable under § 13–202 or § 13–302 of this title or § 12–102 of this article.

(2) Before a transfer of title may be made under articles of transfer, articles of merger, articles of consolidation, or other document which evidences a merger or consolidation of foreign corporations or foreign limited liability companies or foreign partnerships for any property for which a property certificate is required under § 3–112 or § 4A–708 of the Corporations and Associations Article, all recordation and transfer taxes shall be paid.

§13–405.

(a) Except as provided in subsection (c) of this section, county transfer tax applies to conveyances that transfer the real property of a corporation to its stockholders, a limited liability company to its members, or a partnership to its partners on:

(1) liquidation;

(2) dissolution; or

(3) termination.

(b) For a conveyance that is taxable under this section, county transfer tax applies to the value of the real property determined by the Department at the date of finality immediately before the date of transfer.

(c) A corporate, limited liability company, or partnership transfer as described in § 12-108(p), (q), (v), (w), (y), and (bb) of this article is not subject to the county transfer tax.

§13–406.

In a transfer of property located in 2 or more counties, the county transfer tax of the counties where the property that is transferred is located is apportioned as required under § 12-110(b) of this article.

§13–407.

(a) In this section, "total rate of tax" means the rate of tax imposed for the agricultural land transfer tax under § 13–303(a) of this title plus the rate of tax for a county transfer tax imposed under this section.

(b) (1) Unless a greater rate of tax was imposed before July 1, 1979, a county may not impose county transfer tax on a transfer subject to the agricultural land transfer tax under Subtitle 3 of this title at a rate greater than the county rate applicable to the transfer of improved residential property in that county.

(2) If a county has imposed a county transfer tax at a rate that exceeds the rate applicable to the transfer of improved residential property, the total rate of tax that applies to a transfer subject to the agricultural land transfer tax may not exceed 5% plus the rate that applies to improved residential property under the county transfer tax.

(3) If the total rate of tax that applies to a transfer subject to the agricultural land transfer tax exceeds the maximum rate allowed under paragraph (2) of this subsection:

(i) the agricultural land transfer tax is payable at the rate specified in § 13–303(a) of this title; and

(ii) the rate of the county transfer tax shall be reduced as necessary to comply with the 5% limit.

(c) After July 1, 1979, for the transfer of land subject to the agricultural land transfer tax, a county may not:

(1) impose a county transfer tax at a rate above the rate that was in effect on July 1, 1979; or

(2) increase the rate of a county transfer tax above the rate that was in effect on July 1, 1979.

§13–408.

Any county having a county transfer tax may provide for an exemption from the tax of a specified amount of the consideration payable on the conveyance of owner-occupied residential property if the buyer intends to use the property as the buyer's principal residence by actually occupying the residence for at least 7 months of a 12-month period.

§13–409.

(a) Any county having a county transfer tax may provide for an exemption from the tax for an instrument of writing for residentially improved owner-occupied real property if the instrument of writing is accompanied by a statement under oath signed by each grantee or an agent of the grantee that:

(1) (i) the grantee is an individual who has never owned in the State residential real property that has been the individual's principal residence; and

(ii) the residence will be occupied by the grantee as the grantee's principal residence; or

(2) (i) the grantee is a co-maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in § 12-108(i) of this article for the property; and

(ii) the grantee will not occupy the residence as the co-maker's or guarantor's principal residence.

(b) A statement under subsection (a) of this section by an agent of a grantee shall state that the statement:

(1) is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(2) is true to the best of the knowledge, information, and belief of the agent.

§13–410.

An instrument of writing is not subject to the county transfer tax to the same extent that it is not subject to the recordation tax under:

(1) § 12–108(cc) of this article (Certain transfers to land trusts); or

(2) § 12–108(hh) of this article (Transfer of real property within the Pimlico racing facility site, Pimlico site, Bowie Race Course Training Center property, or training facility site).

§13–411.

An instrument of writing that a county or Baltimore City exempts from recordation tax under § 12–118 of this article may be exempted from the county or Baltimore City transfer tax.

§13–412.

(a) (1) Except as provided in subsection (c) of this section and paragraph (2) of this subsection, a county transfer tax shall apply to the consideration payable for an instrument of writing.

(2) If a county transfer tax applies to mortgages or deeds of trust, the county transfer tax shall apply to the consideration payable or the principal amount of the debt secured for an instrument of writing.

(b) Except as provided in subsection (c) of this section, the consideration:

(1) includes the amount of any mortgage or deed of trust assumed by the grantee; and

(2) subject to item (1) of this subsection, includes only the amount paid or delivered in return for the sale of the property and does not include the amount of any debt forgiven or no longer secured by a mortgage or deed of trust on the property.

(c) (1) A county transfer tax applies to the consideration paid for the transfer of a controlling interest in a real property entity as defined in § 13–103 of this title that has developed real property under Section 42 of the Internal Revenue Code, the Low Income Housing Tax Credit Program.

(2) The consideration under this subsection shall be the actual payment made by the purchaser to the seller for the purchase of the interest.

§13–413.

An instrument of writing that is exempt from recordation tax under § 12–108(gg) of this article (Transfer of principal residence surrendered in bankruptcy) is not subject to the county transfer tax.

§13–501.

(a) In this subtitle the following words have the meanings indicated.

(b) "Agricultural land" means real property that is or was assessed on the basis of farm or agricultural use under § 8-209 of this article.

(c) "County agricultural land transfer tax" means the tax imposed under this subtitle.

(d) "Development rights" has the meaning stated in § 2-512(e) of the Agriculture Article.

(e) "Foundation" means the Maryland Agricultural Land Preservation Foundation.

§13–502.

(a) (1) The Board of County Commissioners of Washington County may, with the advice and consent of the local Agricultural Preservation Advisory Board, levy and impose a county agricultural land transfer tax on an instrument of writing for property located in the county if the instrument is subject to the State agricultural land transfer tax under Subtitle 3 of this title.

(2) Notwithstanding the provisions of § 13-407 of this title, the tax imposed under this section may be imposed at a rate of up to 2%.

(b) The county agricultural land transfer tax is imposed on the value of the agricultural land used to determine the State agricultural transfer tax.

(c) The county agricultural land transfer tax is payable in addition to any other transfer tax imposed by State law.

(d) An instrument of writing that is subject to the county agricultural land transfer tax may not be recorded in the county or filed with the Department until the county agricultural land transfer tax is paid to the county tax collector or the Department.

§13–503.

(a) The Department shall remit the county agricultural land transfer tax collected by it to the county tax collector.

(b) The county tax collector shall deposit in a special fund all of the agricultural land transfer tax collected under this subtitle.

(c) The county agricultural land transfer tax collected under this subtitle may be used only for the purchase of development rights on agricultural land under the county's or foundation's agricultural preservation program.

(d) (1) Except as provided in paragraph (2) of this subsection, agricultural land on which development rights are purchased under this subtitle must meet the minimum standards set by the foundation under § 2-509(d) of the Agriculture Article.

(2) In lieu of any acreage requirements set by the foundation under § 2-509(d) of the Agriculture Article, agricultural land on which development rights are purchased under this subtitle must be of significant size to promote an agricultural operation.

(e) This section may not be construed to prohibit any county from accepting funds from private sources and using those private funds to purchase development rights on agricultural land.

§13–504.

(a) When a contract is executed for the transfer of any interest in agricultural land in Washington County, the seller shall notify the buyer, in writing, that the transfer may be subject to the county agricultural land transfer tax.

(b) If a seller fails to notify a buyer as required by subsection (a) of this section, the seller is liable to the buyer for the county agricultural land transfer tax paid by the buyer.

§13–505.

(a) A person may not willfully offer for recordation or record an instrument of writing subject to the county agricultural land transfer tax knowing that the tax has not been paid.

(b) A person may not willfully misrepresent the amount of the actual consideration paid or to be paid in connection with an instrument of writing that is subject to the county agricultural land transfer tax.

(c) A person may not forge or counterfeit any official legend or signature of the clerk on any instrument of writing that is subject to the county agricultural land transfer tax.

(d) A person who violates a provision of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500 or imprisonment not exceeding 6 months or both.

§14–101.

In this title, "total tax liability on property" means State taxes, county taxes, municipal corporation taxes, special assessments, benefit charges, and any adjustment, including:

(1) allowable discounts;

(2) fees, charges, or costs related to the taxes; and

(3) any tax credit granted under this article.

§14–201.

(a) Except as otherwise provided in this section, an officer, former officer, employee, or former employee of the State, a county, a municipal corporation, or a taxing district may not open for public inspection valuation records, including:

(1) assessor notes and medical–related adjustments on residential worksheets or cards;

(2) commercial assessment worksheets or cards; and

(3) correspondence containing information concerning private appraisals, building costs, rental data, or business volume.

(b) (1) The Department shall permit a valuation record to be inspected by:

(i) the person whose property is the subject of the valuation record; or

(ii) an officer of the State or a county or municipal corporation affected by the valuation record.

(2) Valuation records, including rental data or business volume, may be submitted to the Maryland Tax Court as evidence in an appeal under Subtitle 5 of this title.

(3) Residential assessment worksheets that list the property description with assigned cost rates and depreciation factors shall be available for inspection as they appear on the Department's website.

(4) The Department shall maintain a database, available to the public on the Department's website and searchable by individual property, that relates to the valuation of single–family residential real property in the State and includes for each property:

(i) the square footage of the enclosed improvements above ground;

(ii) the square footage of the completed improvements below ground;

(iii) the number of bathrooms;

(iv) the number of garages; and

(v) the date of the initial assessment of the most recently completed improvements assessed after July 1, 2000, under § 8–104(c)(1)(iii) of this article.

(c) The Department shall provide a copy of assessment worksheets and cards that relate to a real property valuation:

(1) to the person whose property is the subject of the valuation if:

(i) the value or classification of the property is to be changed for property tax purposes; and

(ii) the person requests the worksheets and cards; or

(2) except for income and expense statements, to any person who pays property tax, if the person:

(i) seeks the worksheets and cards for other comparable property;

(ii) has a timely filed and pending appeal under Subtitle 5 of this title regarding the assessment of the person's property;

(iii) identifies the comparable property by address; and

(iv) pays the reasonable fee that the Department requires for the copy.

(d) (1) The Department may adopt regulations establishing reasonable conditions for release of information contained in valuation records that directly relate to descriptions of physical characteristics of and improvements to the land.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, a fee may be imposed for providing the information under this subsection.

(ii) A fee may not be imposed for providing to the property owner on the Department's website information concerning the calculation of the assessment and description of the property that is the subject of the assessment as required under subsection (c)(1) of this section.

§14–301.

To value or classify property or to determine if a value or classification of property is correct, the Department may:

(1) issue a subpoena:

(i) for any person; or

(ii) for any evidence necessary to value or classify property or to determine if a value or classification is correct;

(2) administer oaths and affirmations;

(3) take depositions or other testimony;

(4) issue written interrogatories with a notice of assessment;

(5) if a person fails to comply with a subpoena, petition a circuit court to order compliance with the subpoena; or

(6) if a person fails to file the annual report required under § 11-101 of this article, petition a court to compel the filing of the report.

§14–401.

(a) If a person fails to submit the reports required in § 11-101 or § 11-102 of this article, the Department shall value the person's personal property based on any information the Department can obtain and assess the personal property at not more than twice the estimated value.

(b) An assessment under subsection (a) of this section does not excuse the person whose personal property is assessed from liability for:

(1) property tax or other tax; or

(2) a tax penalty or other penalty imposed by law.

§14–402.

If personal property is assessed at less than its value as a result of the owner inaccurately reporting the cost or other information as to the property, the underassessed part of the property shall be treated as escaped property under § 8-417 of this article.

§14–501.

In this subtitle, "petition for review" means a petition for reclassification or revaluation of property.

§14–502.

(a) (1) Except as provided in paragraph (2) of this subsection and as otherwise provided by § 14–503 of this subtitle, for property assessed by a supervisor, any taxpayer, a county, a municipal corporation, or the Attorney General may submit a written appeal to the supervisor as to a value or classification in a notice of assessment on or before 45 days from the date of the notice.

(2) If any real property is transferred after January 1 and before the beginning of the next taxable year to a new owner, the new owner may submit a written appeal as to a value or classification on or before 60 days after the date of the transfer.

(3) The date of transfer of any real property under this section shall be the effective date of the deed as described in § 3–201 of the Real Property Article.

(4) (i) If the date of recordation of the deed evidencing the transfer is after June 30, the taxpayer must submit a copy of the executed deed

evidencing the date of transfer as a condition to maintaining its right to appeal under subsection (a)(2) of this section.

(ii) If a copy of the executed deed is not presented at or before the appeal hearing, the appeal may be dismissed by the supervisor.

(b) (1) If the requirements of subsection (a) of this section are met, the supervisor or the supervisor's designee shall hold a hearing as provided under § 14–510 of this subtitle.

(2) If a written appeal is submitted under subsection (a)(2) of this section, the supervisor or the supervisor's designee shall hold a hearing as provided under § 14–510 of this subtitle by the later of:

(i) 90 days after receiving the written appeal; or

(ii) 90 days after the deed evidencing the transfer is recorded.

§14–503.

(a) A taxpayer may appeal the value or classification of the real property by submitting a petition for review to the supervisor on or before the date of finality for the next taxable year.

(b) If the requirements of subsection (a) of this section are met, the supervisor or the supervisor's designee shall hold a hearing as provided under § 14-510 of this subtitle.

§14–504.

(a) For personal property assessed by the Department, any taxpayer, a county, a municipal corporation, or the Attorney General may submit a written appeal to the Department as to a value or classification in a notice of assessment on or before 45 days from the date of the notice.

(b) If the requirements of subsection (a) of this section are met, the Department shall hold a hearing as provided under § 14-510 of this subtitle.

§14–506.

(a) In this section, "determination" means an assessment, other than a property tax assessment, made by the Department under this article, for taxes, license fees, charges, or the penalty under § 14–704 of this title.

(b) (1) The Department shall promptly notify each person of any action that the Department takes regarding a determination against the person.

(2) The Department shall deliver or mail, postage prepaid, the notice of determination to:

(i) the last known address of the person against whom the action was taken; or

(ii) if a request is submitted under § 14–507 of this subtitle, to the address specified in the request.

(c) (1) Except as provided in paragraph (2) of this subsection, on or before 30 days from the earlier of the date of mailing or delivery of the notice of the determination, the person against whom the action is taken under subsection (b) of this section may submit a written appeal of the determination to the Department.

(2) On or before 45 days from the earlier of the date of mailing or delivery of the notice of the determination under § 14–704 of this title, the person against whom the action is taken under subsection (b) of this section may submit a written appeal of the determination to the Department.

(d) When the Department receives an appeal made under subsection (c) of this section, the Department promptly shall:

(1) affirm, abate, or modify the determination; or

(2) name a date, after reasonable notice to the applicant, for an informal hearing on the determination and hold the hearing.

(e) After the hearing, the Department shall act on the appeal with reasonable promptness. The Department may impose an additional determination for any taxes found to be due from the appellant before the date of the appeal.

(f) The appeal under subsection (c) of this section and final action by the Department under subsection (d)(1) or (e) of this section are a prerequisite for any further appeal.

§14–507.

(a) In any proceeding before the Department, a supervisor, or a property tax assessment appeal board, any party in interest may submit a written request that all notices and orders relating to the proceeding be sent to the address of the party in interest or the address of the agent of the party in interest.

(b) The Department, supervisor, or property tax assessment appeal board shall send the notices and orders requested under subsection (a) of this section to the address specified by the party in interest by:

(1) mail; or

(2) e–mail, if the recipient has provided an e–mail address to the Department and requested to receive the notices and orders by e–mail.

(c) A person is not required to submit a written request under subsection (a) of this section to appeal under this subtitle.

§14–508.

(a) If after notification under § 8-105(b) of this article, a taxpayer fails to submit the income and expense information for the income producing real property, the taxpayer may not challenge the value of the real property on the basis of the capitalization of income method beyond the supervisor level of appeal, unless the taxpayer provides the appropriate income and expense information at the supervisor level of appeal.

(b) When the Department notifies a taxpayer of the supervisor's level of appeal, the Department shall state that if the taxpayer fails to provide the income and expense information at the supervisor's level, the taxpayer may not challenge the assessment on the basis of the capitalization of income method at later available appeal levels.

§14–509.

(a) (1) For property assessed by a supervisor, on or before 30 days from the date of the notice, any taxpayer, a county, a municipal corporation, or the Attorney General may appeal a value or classification in the notice of assessment under § 8–407 of this article to the property tax assessment appeal board where the property is located.

(2) The property tax assessment appeal board may waive the 30–day requirement under paragraph (1) of this subsection for a taxpayer on good cause shown because of the physical inability of the taxpayer to meet the 30–day requirement.

(b) For property assessed by a supervisor, on or before 30 days from the date of determination by a supervisor, on a petition for review by a supervisor, the owner

may appeal the value or classification in the determination to the property tax assessment appeal board where the property is located.

(c) On or before 30 days from the date of the final determination, any taxpayer may appeal a final determination of a property tax credit or relief under §§ 9–101, 9–102, and 9–104 of this article, to the property tax assessment appeal board where the property is located.

(d) The landowner or the Maryland Agricultural Land Preservation Foundation may appeal the value of an easement determined under § 2–511 of the Agriculture Article to the property tax assessment appeal board where the property is located.

(e) (1) On or before 30 days from the date of a supervisor's denial of a hearing based on failure to meet the 45–day requirement under § 14–502(a)(1) of this subtitle, the taxpayer may appeal the denial to the property tax assessment appeal board where the property is located.

(2) On an appeal under paragraph (1) of this subsection, the property tax assessment appeal board may waive the 45–day requirement under § 14–502(a)(1) of this subtitle for a taxpayer on good cause shown because of the physical inability of the taxpayer to meet the 45–day requirement.

(f) If the requirements of subsection (a), (b), (c), (d), or (e) of this section are met, the property tax assessment appeal board shall hold a hearing, as provided under § 14–510(b) of this subtitle.

(g) Unless the property owner requests a postponement under § 1–402 of this article, for a dwelling as defined in § 9–105 of this article, the property tax assessment appeal board shall hold a hearing within 120 days after receiving a request for an appeal.

(h) For any appeal under this section in which the value of property is at issue, at least 10 days before a hearing on the appeal, the Department and the taxpayer shall exchange any written appraisals to be used for the purpose of placing a value on the property.

§14–510.

(a) In this section, "hearing" means a hearing held on an appeal under § 14-502, § 14-503, § 14-504, or § 14-509 of this subtitle.

(b) A hearing is informal and any party in interest may submit to the Department, supervisor, or the property tax assessment appeal board any information that bears on the appeal without regard to the technical rules of evidence.

(c) If a person submits a request that meets the requirements of § 14–507 of this subtitle, the supervisor's or the board's action or refusal to act does not operate against the person until a statement of the order in the action or refusal to act is sent to an address specified by the person.

§14–510.1.

(a) For a hearing before a supervisor that relates to the value of property, the person making the appeal shall receive at least 14 days before the hearing:

(1) the assessment worksheet or card for the property that is the subject of the appeal; and

(2) the sales analysis for the neighborhood or property type of the property that is the subject of the appeal.

(b) The Department shall provide the information required under this section free of charge.

(c) (1) If a person making an appeal before a supervisor appears at the scheduled hearing and states that the Department has not provided the information required under this section, the Department shall immediately provide the information.

(2) If a person making an appeal receives the information required under this section for the first time on the date of the scheduled hearing, the hearing may be rescheduled at the option of the person making the appeal to a date that is 14 or more days after the previously scheduled hearing date.

§14–511.

(a) (1) For a hearing before a property tax assessment appeal board that relates to the value of property, the person making the appeal shall receive at least 30 days before the hearing a list of other comparable properties.

(2) The list shall identify the location and owner of each comparable property.

(3) The list shall also include for each comparable property on the list:

(i) the sale price and date of sale;

(ii) the assessment and the year or years to which the assessment applied; and

(iii) the construction costs and the date of construction.

(4) The Department shall provide the information required under this subsection free of charge.

(5) (i) If a person making an appeal appears at the scheduled hearing before a property tax assessment appeal board and states that the Department has not provided the information required under this subsection, the Department shall immediately provide the information.

(ii) If a person making an appeal receives the information required under this subsection for the first time on the date of the scheduled hearing, the hearing may be rescheduled at the option of the person making the appeal to a date that is 30 or more days after the previously scheduled hearing date.

(b) For a dwelling as defined in § 9–105 of this article, a property tax assessment appeal board shall send an order or notice of assessment to the person making the appeal no later than 30 days after the hearing on the appeal.

(c) A property tax assessment appeal board shall include in any order or notice of assessment that it issues:

(1) a statement of its action or assessment;

(2) a summary of the basis of its decision; and

(3) a statement that:

(i) advises the person making the appeal of the right to appeal to the Maryland Tax Court as provided by § 14–512 of this subtitle; and

(ii) includes the address of the Maryland Tax Court.

§14–512.

(a) Any taxpayer, the governing body of a county, a municipal corporation, or the Attorney General may appeal a final action by the Department on an appeal

under § 14-504 of this subtitle to the Maryland Tax Court. The appeal shall be made on or before 30 days from:

(1) the date of the final action of the Department; or

(2) the earlier of the date of delivery or mailing of the notice of the final action to the address specified under § 14-507 of this subtitle, if a request is made under § 14-507 of this subtitle.

(b) The person against whom final action has been taken by the Department under § 14-506 of this subtitle may appeal the action to the Maryland Tax Court on or before 30 days after the earlier of the delivery or mailing of a notice of final action by the Department.

(c) Except as provided in subsection (d) of this section, the person who submitted a property tax refund claim under Subtitle 9 of this title, the Department, a county, or a municipal corporation may appeal a final determination of a property tax refund claim by a refunding authority to the Maryland Tax Court on or before 30 days from the date that the refunding authority mails the notice of its determination.

(d) The person who submitted a tax refund claim under § 14-907 or § 14-908 of this title may appeal any final action taken under § 14-911 of this title to the Maryland Tax Court on or before 30 days from the date that the notice of disallowance is received by the person. However, if a refund claim under § 14-911 of this title is not allowed or disallowed on or before 6 months from the date of filing the claim, the person who filed the claim may:

(1) deem the claim to be finally disallowed; and

(2) submit an appeal to the Maryland Tax Court.

(e) On or before 30 days from the date of the determination, any taxpayer, the State, a county, or a municipal corporation may appeal a determination of a property tax credit or relief under § 14-509(c) of this subtitle by a property tax assessment appeal board to the Maryland Tax Court.

(f) (1) Any taxpayer, a municipal corporation, the Attorney General, the Department, or the governing body of a county may appeal a determination made by a property tax assessment appeal board under § 14–509(a) or (b) of this subtitle to the Maryland Tax Court.

(2) The appeal shall be made:

(i) on or before 30 days after the determination under § 14–509(a) or (b) of this subtitle;

(ii) on or before 30 days from the date of mailing a notice of the determination to the address requested under § 14–507 of this subtitle; or

(iii) if the appellant is the Department, on or before 30 days from the date the board sends written notice of its determination, by mail or otherwise, to the Department.

(3) Unless a taxpayer previously appealed as required by § 14–502 or § 14–503 of this subtitle to a property tax assessment appeal board, the taxpayer may not appeal to the Maryland Tax Court under this subsection.

(4) An appeal under this subsection shall state:

(i) that the value or classification is erroneous because of overvaluation or undervaluation;

(ii) that the assessment is unequal because it is made at a higher proportion of value than other property of the same class; or

(iii) any other errors that may exist for which an appeal is allowed and because of which the petitioner claims to be injured.

(5) (i) Unless extended by the court at the request of a party, the Maryland Tax Court shall hear and determine all appeals under this subsection on or before:

1. for an appeal other than an appeal of a determination regarding an assessment for residential property, 120 days from the date the appeal is entered; and

2. for an appeal of a determination regarding an assessment for residential property, 90 days from the date the appeal is entered.

(ii) Any party to an appeal may request the court to extend the 120 or 90 day requirement.

(iii) The court may grant an extension if it deems the request to be valid.

(6) For any appeal under this subsection to the Maryland Tax Court, the Department and the taxpayer shall, at least 10 days before a hearing on the

appeal, exchange any written appraisals to be used for the purpose of placing a value on the property.

(g) An appeal to the Maryland Tax Court under this section shall be deemed to be filed within the time allowed for the appeal if a written petition is mailed to the Maryland Tax Court with a postmark date within the time allowed for the appeal.

§14–513.

Any party to a Maryland Tax Court proceeding may appeal a final decision of the Maryland Tax Court to the circuit court for the county in which the property is located.

§14–514.

An appeal of property tax does not stay or affect the collection or enforcement of the property tax or a classification, unless for personal property a person submits to the agency responsible for collecting the property tax a bond:

(1) to the State;

(2) with corporate surety approved by the Department; and

(3) conditioned on the payment of the property tax and all interest that accrues on the property tax until paid.

§14–515.

Any party to a proceeding in the circuit court under § 14–513 of this subtitle may appeal a final decision of the circuit court to the Appellate Court of Maryland.

§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) 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 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 appeal authority under paragraph (1) of this subsection, the governing body of the county or municipal corporation may appeal to the appropriate appeal authority.

(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.

§14–601.

(a) Except as provided in subsection (b) of this section, interest is calculated on and charged against the total tax liability on property.

(b) When payments of property tax have been made, interest is calculated on and charged against the total tax liability on the property, less the amount of the payments.

§14–602.

The rate of interest for State property tax is 1% for each month or fraction of a month that State property tax is overdue.

§14–603.

(a) Except as provided in subsection (b) of this section and for estimated personal property tax in § 14-604 of this subtitle, the rate of interest for full year county or municipal corporation property tax or taxing district property tax is two-thirds of 1% for each month or fraction of a month that the county or municipal corporation property tax or taxing district property tax is overdue.

(b) For the following counties and municipal corporations the rate of interest for each month or fraction of a month that county or municipal corporation property tax or taxing district property tax is overdue is:

(1) 1.5% for Garrett County;

(2) 1% for the City of Salisbury;

(3) 1% for Washington County;

(4) 1% for Somerset County; and

(5) the rate set by law by:

(i) the governing body of a county that has adopted a charter form of government under Article XI–A of the Maryland Constitution;

(ii) the governing body of:

1. Allegany County;

2. the City of Annapolis;

3. Berlin, not exceeding 1.5%;

4. Caroline County, not exceeding 1%;

5. Cecil County, or any municipal corporation in Cecil County, not exceeding 1%;

6. Dorchester County;

7. the City of Frederick, not exceeding 1%, that is set on or before the date of finality;

8. Frederick County, not exceeding 1%, that is set on or before the date of finality;

9. Ocean City, not exceeding 1.5%;

10. Pocomoke City, not exceeding 1.5%;

11. the Town of Princess Anne, not exceeding 1.5%;

12. Kent County or any municipal corporation in Kent County;

13. Queen Anne's County or any municipal corporation in Queen Anne's County;

14. Snow Hill, not exceeding 1.5%;

15. Worcester County, not exceeding 1.5%;

16. Calvert County;

17. St. Mary's County;

18. the City of Taneytown;

19. the City of Cambridge; or

20. Mardela Springs, not exceeding 1%; or

(iii) the Mayor and City Council of Baltimore City for Baltimore City, if the rate is set on or before June 30 for the following taxable year.

(c) The governing body of Calvert County or of St. Mary's County may set, by law:

(1) an interest rate for overdue tax on commercial property; and

(2) a separate interest rate for overdue tax on noncommercial property.

§14–604.

The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may set, by law, an interest charge for:

(1) overdue final determination of estimated county or municipal corporation property tax on personal property or operating property; or

(2) overdue 1/4, 1/2, or 3/4 year county or municipal corporation property tax or taxing district property tax on real property.

§14–605.

If a person fails to pay property tax when required by this article, the person shall pay interest on the total tax liability on property for each month or fraction of the month from the date the property tax payment is required to be paid under Title 10 of this article to the date the tax is paid.

§14–606.

If a person is granted a deferral that extends the time to pay Montgomery County property tax or Prince George's County property tax under § 10-201 of this article, the person shall pay interest on the county property tax payment from the due date without a deferral until the date that the county property tax is paid.

§14–607.

(a) The governing body of a county may provide, by law, for interest on advance payments of county property tax.

(b) The interest allowable under subsection (a) of this section may not exceed the discount for the taxable year that the county allows for the county property tax on the property.

§14–608.

The governing body of a county or of a municipal corporation shall provide, by law, for the payment of interest on refunds of county or municipal corporation estimated property tax on personal property or operating property.

§14–611.

Subject to § 14-919 of this title, on the final determination of an appeal under Subtitle 5 of this title, any money paid by a taxpayer that exceeds the amount properly chargeable under the determination shall be refunded at the same rate of interest that the taxes would have borne if the taxes were determined to have been overdue.

§14–701.

A tax penalty is calculated on the total tax liability on property.

§14–702.

(a) Except as otherwise provided in this section, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may set, by law, a tax penalty against overdue county, municipal corporation, or taxing district total tax liability on property.

(b) A tax penalty may be set only on overdue county, municipal corporation, or taxing district total tax liability on property imposed:

(1) under § 10-102 or § 10-210 of this article, if the Mayor and City Council of Baltimore City or the governing body of the county or of the municipal corporation sets, by law, the tax penalty rate on or before June 30 for the succeeding taxable year;

(2) under § 10-103 of this article, if the Mayor and City Council of Baltimore City or the governing body of the county or of the municipal corporation sets, by law, the tax penalty rate on or before December 31 for the succeeding taxable year;

(3) under § 10-104 of this article, if the Mayor and City Council of Baltimore City or the governing body of the county or of the municipal corporation sets, by law, the tax penalty rate on or before September 30 for the succeeding taxable year; or

(4) under § 10-105 of this article, if the Mayor and City Council of Baltimore City or the governing body of the county or of the municipal corporation sets, by law, the tax penalty rate on or before March 30 for the succeeding taxable year.

(c) The governing body of Montgomery County or of Prince George's County may not charge tax penalties under this subtitle on unpaid county property tax deferred under § 10-201 or § 10-202 of this article before the deferral period expires.

(d) The governing body of Calvert County or of St. Mary's County may set, by law:

(1) a tax penalty rate for overdue tax on commercial property; and

(2) a separate tax penalty rate for overdue tax on noncommercial property.

§14–703.

If a person fails to pay property tax when required by this article, the person shall pay a tax penalty imposed under § 14-702 of this subtitle on the total tax liability on property for each month or fraction of a month from the date the property tax is required to be paid under Title 10 of this article to the date the tax is paid.

§14–704.

(a) (1) If the annual report is not submitted as required by § 11-101 of this article, the Department shall assess:

(i) an initial tax penalty not exceeding 1/10 of 1% of the total county assessment in all counties where property is located; and

(ii) an additional penalty of 2% of the initial tax penalty for each 30 days or fraction of a 30-day period that the report is not submitted.

(2) The initial penalty under paragraph (1) of this subsection may not be more than $500 or less than:

(i) $30 if 1 to 15 days late;

(ii) $40 if 16 to 30 days late; or

(iii) $50 if over 30 days late.

(b) The Department may abate or reduce the tax penalty under subsection (a) of this section when good cause is shown.

(c) The Department may extend the date for submitting the report until June 15 of the year in which the report is due if a person submits a request:

(1) electronically on or before April 15 of the year in which the report is due; or

(2) by paper document on or before March 15 of the year in which the report is due.

(d) (1) Any extension request submitted by paper document must be accompanied by the fee specified in § 1-203 of the Corporations and Associations Article.

(2) Extensions are not accepted by facsimile.

§14–705.

If an escaped property assessment of personal property is made under § 8-417 of this article, an additional assessment penalty equal to 20% of the escaped property assessment shall be added to the assessment of the personal property.

§14–801.

(a) In §§ 14–801 through 14–854 of this subtitle, the following words have the meanings indicated.

(b) "Other taxing agency" means any municipal corporation or other public or quasi–public corporation that may impose a tax of any kind which is or may become a lien on real property.

(c) "Owner–occupied residential property" means, with respect to a property located in Baltimore City, the principal residence of a homeowner as defined in § 9–105(a)(7) of this article.

(d) (1) "Tax" means any tax, or charge of any kind due to the State or any of its political subdivisions, or to any other taxing agency, that by law is a lien against the real property on which it is imposed or assessed.

(2) "Tax" includes interest, penalties, and service charges.

§14–804.

(a) (1) Except as provided in paragraph (2) of this subsection, all unpaid taxes on real property shall be, until paid, liens on the real property in respect to which they are imposed from the date they became or become payable.

(2) A lien on real property under paragraph (1) of this subsection terminates 20 years after the date that the lien attaches to the real property.

(b) (1) All unpaid tax on personal property is a lien on the personal property and on the real property of the owner of the personal property in the same manner in which taxes on real property are now liens on the real property with respect to which they are imposed in all subdivisions of the State; provided that the lien will attach to the real property only after the notice has been recorded and indexed among the judgment records in the office of the clerk of the circuit court in the county where the land lies, or is recorded and indexed on the tax rolls of the subdivision. Any subdivision, in lieu of recording in the appropriate court, may use a lien reporting system, and any subdivision so doing shall provide, on request, a lien report or memorandum with respect to any particular person.

(2) A lien on personal property or real property under paragraph (1) of this subsection terminates 20 years after the date that the lien attaches to the property.

(c) (1) The county property tax deferred under § 10–201 of this article is a lien on the property for which the deferral was granted.

(2) A lien on property under paragraph (1) of this subsection terminates 20 years after the date that the lien attaches to the property.

(d) (1) The unpaid balance of a deferral granted under § 10–202 of this article is a lien on the property for which the deferral was granted.

(2) A lien on property under paragraph (1) of this subsection terminates 20 years after the date that the lien attaches to the property.

§14–805.

(a) From the date property tax on real property is due, liability for the tax and a 1st lien attaches to the real property in the amount of the property tax due on the real property.

(b) Except as provided in subsection (c) of this section, from the date property tax on personal property is due, liability for the tax and a 1st lien attaches to the personal property in the amount of the property tax due on the personal property.

(c) (1) (i) Subject to paragraphs (2) and (3) of this subsection, a secured party with a security interest in personal property of a business may elect to satisfy a tax lien on the secured property by providing the notice required under

paragraph (2) of this subsection and paying the required pro rata portion of the personal property taxes due and owing, including a pro rata share of accrued penalty and interest as provided in paragraph (3) of this subsection.

(ii) If the secured party pays the required pro rata portion of the personal property taxes due and owing, including a pro rata share of the accrued penalty and interest as provided in paragraph (3) of this subsection, the statutory lien on the secured property identified in the notice required by paragraph (2) of this subsection shall be released.

(2) (i) Not later than 60 days after a secured party takes repossession in accordance with Title 9 of the Commercial Law Article of the personal property of a business after a default by the business that owes personal property taxes, the secured party shall send written notice to each county and municipality that has a certified assessment by the State Department of Assessments and Taxation for the business in an amount equal to or greater than the cost basis of the personal property subject to repossession by the secured party, less the depreciation that would be applicable to the cost basis under the State's depreciation schedules.

(ii) The notice required under subparagraph (i) of this paragraph shall include:

1. the State Department of Assessments and Taxation identification number of the business that owes personal property taxes;

2. the identity of the business owner;

3. the location of the personal property subject to repossession;

4. a reasonable description of the personal property subject to repossession, including, if known, the name of the manufacturer, model, year of manufacture, serial number, registration number, and vehicle identification number;

5. the date of purchase if known;

6. the purchase price of the property if known;

7. a copy of any sales documents in the possession of the secured party;

8. when the date of purchase and purchase price of the property are not known, the secured party's estimate of the fair market value of the

property as of the date the secured party established a security interest in the personal property;

9. the secured party's estimate as to the value of the property based on the State's depreciation schedules; and

10. the secured party's estimate as to the pro rata portion of personal property taxes owed, including a pro rata share of accrued penalty and interest.

(3) (i) Unless a county or municipality disputes the secured party's estimate as provided in subparagraph (ii) of this paragraph, after providing notice as required under paragraph (2) of this subsection, the secured party shall pay the pro rata portion of personal property taxes owed, including a pro rata share of accrued penalty and interest, as specified in paragraph (4) of this subsection, and the statutory lien on the secured property identified in the notice under paragraph (2) of this subsection shall be released.

(ii) A county or municipality may dispute the secured party's estimate of the pro rata portion of personal property taxes owed, including a pro rata share of accrued penalty and interest, if the county or municipality:

1. responds in writing to the secured party not later than 45 days after the secured party provided notice as required under paragraph (2) of this subsection indicating the pro rata amount of personal property taxes and penalties and interest due on the specified personal property as calculated by the county or municipality; and

2. makes reasonable attempts to resolve the dispute with the secured party.

(4) (i) If the State has certified an assessment on a business for 1 or more years and the assessment certifications are to a single county, a single municipality, or one or more municipalities within a single county, to obtain a statutory release under this section, the secured party shall pay to the county and municipalities the pro rata portion of the personal property taxes due by the business for each outstanding tax levy, including the pro rata share of accrued penalty and interest, corresponding to the pro rata portion of the assessment certified by the State for each tax levy at issue.

(ii) If the State has certified an assessment on a business for 1 or more years to more than one county or, if applicable, one or more municipalities within one or more counties, to obtain a statutory release under this subsection, the secured party shall pay the pro rata portion of the tax due, including the pro rata

share of accrued penalty and interest to the appropriate county or municipality in the following priority:

1. to the county, and the municipality within the county if applicable, where the principal office of the business is located according to the information on file with the State Department of Assessments and Taxation, if that county or municipality has an assessment certification by the State on the business personal property of the business in an amount equal to or greater than the cost basis of the property subject to repossession by the secured party, less depreciation;

2. to the county and municipality where the secured party repossessed the personal property of the business, if that county or municipality has an assessment certification by the State on the business personal property of the business in an amount equal to or greater than the cost basis of the property repossessed by the secured party, less depreciation;

3. to any county and municipality where the assessment certification by the State on the business personal property is in an amount equal to or greater than the cost basis of the property subject to repossession by the secured party, less statutory depreciation; or

4. if two or more counties or municipalities have an assessment certification by the State on the business personal property of the business that is in an amount equal to or greater than the cost basis of the property subject to repossession by the secured party, less depreciation, and the conditions in items 1 and 2 of this subparagraph have not been met, to each county and municipality, if applicable, the pro rata portion of the tax that corresponds to the pro rata portion of the cumulative assessment certified by the State for each tax year levy at issue in proportion to the assessment in each jurisdiction where the assessment certifications are in an amount equal to or greater than the cost basis of the personal property subject to repossession by the secured party, less depreciation.

(5) If the secured party fails to provide the notice and payment required under paragraphs (2) and (3) of this subsection, the secured party may not satisfy the personal property tax lien on personal property by only paying the pro rata portion of personal property taxes due and owing, including accrued penalties and interest, on the personal property subject to repossession.

(6) If the secured party seeks to limit the liability of the county's or municipality's statutory first lien for taxes owed to the value of the property subject to repossession, the secured party has the burden of proving, with reasonable certainty, the value of the property subject to repossession.

(7) This subsection may not be construed to constitute a release of liability or release of the tax lien of the debtor business, with respect to its principals, officers, members, or directors, or any transferees of property that is encumbered by a tax lien and is owned, used, or leased by the business.

(8) (i) This subsection may not be construed to constitute a reprieve or exemption from the annual personal property reporting duties and responsibilities of a business.

(ii) This subsection may not be construed to constitute a release of liability for taxes levied as a result of subsequent assessments from the State as to any of the property repossessed by the secured party.

(9) The secured party shall have a right of contribution from the business for any taxes, penalties, and interest paid by the secured party under this subsection.

§14–806.

(a) In this section, "Board" means the Board of Estimates of Baltimore City.

(b) (1) To facilitate a transfer of real property the governing body of a county or municipal corporation or, in Baltimore City, the Board may release any liens for unpaid real property taxes or other charges and assessments imposed by the county or municipal corporation to which the property would otherwise be subject, if:

(i) the total amount of liens for unpaid real property taxes, charges, and assessments imposed with respect to the property exceeds the lesser of the total value of the land and any improvement on the land as last determined by the Department or as determined by an appraisal report prepared not more than 6 months before the request for the release of the lien, by a real estate appraiser who is licensed under Title 16 of the Business Occupations and Professions Article;

(ii) the county or municipal corporation or, in Baltimore City, the Baltimore City Department of Housing and Community Development certifies that the property:

1. is a vacant lot; or

2. has a building or structure that is:

A. vacant; and

B. unsafe or unfit for habitation;

(iii) the potential transferee demonstrates the ability to return the property to productive use within a reasonable period of time;

(iv) the governing body of the county or municipal corporation or, in Baltimore City, the Board finds that a transfer under this section is necessary:

1. to eliminate a blighting influence; and

2. to prevent the tax abandonment of a property; and

(v) the potential transferee presents evidence to the governing body of the county or municipal corporation or, in Baltimore City, the Board that fair market value is being paid.

(2) A governing body of a county or municipal corporation or, in Baltimore City, the Board may waive the requirement in paragraph (1)(v) of this subsection if:

(i) the potential transferee is a nonprofit organization as defined in § 1–101 of the Housing and Community Development Article; and

(ii) the county or municipal corporation receives from the transferor an amount equal to any federal, State, or local income tax benefit realized by the transferor as a result of a deduction from income for a charitable contribution of the property to a nonprofit organization.

(3) If the conditions in paragraph (2) of this subsection are met, the transferor's property tax debt shall be reduced by an amount equal to the fair market value of the transferred property.

(c) The release of a lien for real property taxes, charges, or assessments as authorized under subsection (b) of this section does not abate the transferor's liability for the remaining amount of the tax debt.

(d) The governing body of a county or municipal corporation or, in Baltimore City, the Board may set additional standards and requirements for approval of the release of liens under this section.

§14–808.

(a) (1) Except for property that has been transferred by a municipality or county to a land bank authority established under § 1–1403 of the Local Government Article, and except as provided under § 14–811 of this subtitle, the

collector shall proceed to sell and shall sell under this subtitle, at the time required by local law, all property in the county in which the collector is elected or appointed on which the tax is in arrears.

(2) Failure of the collector to sell within the time required by local law does not affect the validity or collectability of any tax, or the validity of any sale thereafter made.

(b) In Calvert County the collector shall proceed to advertise and sell any real property as required by local law.

(c) In St. Mary's County, the Board of County Commissioners shall set by resolution the date and time of a tax sale.

(d) In Garrett County, the Board of County Commissioners shall set by resolution the date and time of a tax sale.

§14–809.

(a) (1) When a property in a municipal corporation is delinquent in the payment of municipal corporation taxes or charges levied against the property, the appropriate municipal corporation official charged with the collection of taxes shall notify the collector of the county of the unpaid taxes or charges on the property.

(2) If the procedures of this subtitle are not instituted by the county collector on or before 30 days after receiving the notice from the municipal corporation collector, the municipal corporation collector at any time after the 30-day period expires may use the provisions and procedures of this subtitle to sell the property for unpaid municipal corporation taxes or charges to the same extent that these provisions and procedures are available to county collectors.

(b) (1) This subsection applies in Calvert County and Garrett County.

(2) The county collector shall use the provisions and procedures of this subtitle on notification by the municipal corporation collector of unpaid municipal corporation taxes and proceed to advertise and sell any real property located in any municipal corporation in the county on which municipal corporation taxes are delinquent.

(3) The municipal corporation, in which the property being sold is located, shall buy in and hold, and pay the costs of the sale for any property offered for sale for nonpayment of municipal corporation taxes only for which there is no other purchaser.

(4) If the municipal corporation purchases the property at the tax sale, the municipal corporation shall pay to the county any taxes owed to the county and any costs incurred by the county in the sale of that property. If the county purchases any property located in a municipal corporation in that county that is being sold for delinquent taxes, the county shall pay to the municipal corporation any taxes owed to the municipal corporation for that property.

§14–810.

(a) At least 60 days before the mailing of the notices required by § 14–812 of this subtitle, the collector shall notify all other taxing agencies in the county in which the collector is elected or appointed, except the State, of the collector's intention to hold a tax sale of property on which taxes are in arrears and stating the time and place of sale. Each taxing agency shall, on or before 30 days after receiving the notice from the collector, certify to the collector a statement of all taxes then due to it. The statement shall be in the form and shall contain the information that the collector requires. In addition to the taxes due to the State and the county the collector shall include in the notice required by § 14–812 of this subtitle and in the advertisement required by § 14–813 of this subtitle, all the taxes of all other taxing agencies, statements of which have been certified to the collector by the other taxing agencies in the time required by this section.

(b) The collector in carrying out the provisions of this subtitle is entitled conclusively to presume that the taxes certified to the collector by the taxing agencies, are all the taxes due to the taxing agencies and the collector is under no obligation with respect to any taxes not so certified nor shall any taxes not so certified be a lien on any property sold by the collector under this subtitle.

(c) In Cecil County and Carroll County, all taxes collected by the County Treasurer for other taxing agencies in the county, except those of the State, are subject to, at the discretion of the County Treasurer, a deduction of 10% in Cecil County and 25% in Carroll County before remittance is made to the agency for which collection is made. From the amount deducted, all expenses properly chargeable to making the collection, other than the expenses of sale provided for by § 14–813 of this subtitle, shall be paid, and the balance shall be paid into the general funds of Cecil County and Carroll County as appropriate.

(d) (1) In this subsection, "code county" means any county that has adopted home rule under Article XI–F of the Maryland Constitution.

(2) In a code county, the governing body of the county may require, by public local law, that taxes collected for other taxing agencies in the county are subject to a collection fee not exceeding 3%, to be borne by the delinquent taxpayer, if:

(i) the taxes are collected as a result of a tax sale held by the county; and

(ii) the county does not collect property tax for that taxing agency.

§14–811.

(a) (1) Except as provided in this section, the collector may withhold from sale any property, when the total taxes on the property, including interest and penalties, amount to less than $250 in any 1 year.

(2) The governing body of a county or municipal corporation may withhold from sale owner–occupied residential property that meets objective criteria established by the governing body of the county or municipal corporation.

(b) (1) The collector may withhold from sale any residential property, when the total taxes on the property, including interest and penalties, amount to less than $750.

(2) In Baltimore City, the collector shall withhold from sale owner–occupied residential property, when the total taxes on the property, including interest and penalties, amount to less than $750.

(3) In Baltimore City, the collector shall withhold from sale residential property or property that is exempt from taxation under § 7–204(1) or (2) of this article, if the taxes on the property consist only of a lien for unpaid charges for water and sewer services.

(c) Except as provided in subsection (d) of this section, the governing body of a county or municipal corporation may withhold from sale property that:

(1) has a vacant building or structure that the county or municipal corporation intends to demolish because the building or structure is unsafe or unfit for habitation; or

(2) has been designated for redevelopment purposes if:

(i) the county or municipal corporation certifies that the property:

1. is a vacant lot; or

2. has a building or structure that is:

A. vacant; and

B. unsafe or unfit for habitation;

(ii) the governing body of the county or municipal corporation finds that withholding the property from sale under this subsection is necessary:

1. to eliminate a blighting influence; and

2. to prevent the tax abandonment of the property; and

(iii) the property meets any additional objective criteria established by the governing body of the county or municipal corporation for withholding property from sale for redevelopment purposes.

(d) (1) The governing body of a county or municipal corporation may withhold from a sale a residential property or a property owned by a nonprofit organization if the property is enrolled in a payment program established by law by the governing body of the county or municipal corporation for the payment of taxes in arrears.

(2) If the governing body of a county or municipal corporation withholds property from sale under paragraph (1) of this subsection, the governing body shall arrange for the payment to the State of any State property taxes in arrears on the property.

(e) Baltimore City may withhold from sale property that has been designated for redevelopment purposes if the property meets objective criteria established by the Mayor and City Council of Baltimore City.

(f) The governing body of a county or municipal corporation may cancel or postpone a tax sale during a state of emergency declared:

(1) by the Governor in accordance with Title 14 of the Public Safety Article; or

(2) by a county or municipal corporation in accordance with State and local law.

(g) The collector shall withhold from sale under this part of this subtitle any real property designated by the governing body of a county or municipal corporation for foreclosure and sale under Part V of this subtitle.

(h) (1) In this subsection, "dwelling" and "homeowner" have the meanings stated in § 9–105 of this article.

(2) The governing body of a county or municipal corporation may withhold from sale a dwelling owned by a homeowner who is low–income, at least 65 years old, or disabled if the homeowner meets eligibility criteria established by the county or municipal corporation.

(i) The collector shall withhold from sale the dwelling of a homeowner who is enrolled in the Homeowner Protection Program established under Part VII of this subtitle.

§14–812.

(a) (1) At least 30 days before any property is first advertised for sale under this subtitle, the collector shall have mailed to the person who last appears as owner of the property on the collector's tax roll, at the last address shown on the tax roll, a statement giving the name of the person, and the amounts of taxes due.

(2) On the statement required under paragraph (1) of this subsection there shall also appear the following notice:

……
"Date"

"This Is a Final Bill and Legal Notice to the Person Whose Name Appears on This Notice."

"According to the collector's tax roll you are the owner of the property appearing on this notice. Some of the taxes listed are in arrears. Notice is given you that unless all taxes in arrears are paid on or before 30 days from the above date, the collector will proceed to sell the above property to satisfy your entire indebtedness. Interest and penalties must be added to the total at the time of payment."

(3) In Baltimore City, the notice required under paragraph (1) of this subsection shall include an itemized list of the source and amount of each tax due that the collector seeks to recover through the tax sale.

(b) The mailing required under subsection (a) of this section shall include a separate insert that includes the following:

(1) a clear, concise, and easily understandable summary of the tax sale process not exceeding one page in length that includes a simple explanation of

the steps that a property owner is required to take to retain the property at each stage in the process;

(2) the statement "If this property is your principal residence and you are having difficulty paying the taxes on the property, there are programs that may help you.";

(3) a statement that the State Tax Sale Ombudsman established under § 2–112 of this article or the County Tax Sale Ombudsman, if applicable, is available to:

(i) answer questions about the tax sale process; and

(ii) assist homeowners with applying for tax credits and other benefits that may help homeowners to pay delinquent taxes and retain their homes;

(4) the toll–free telephone number and website address of the State Tax Sale Ombudsman or the County Tax Sale Ombudsman, if applicable;

(5) a statement that free counseling is available to help homeowners make plans to pay their bills and keep their homes by calling the telephone number of:

(i) the Homeowner's HOPE Hotline; or

(ii) another similar local housing counseling service chosen by the collector;

(6) the following information concerning the homeowners' property tax credit under § 9–104 of this article:

(i) the statement "The homeowners' property tax credit may significantly reduce the property taxes you owe if you have limited income and assets. You may be eligible for the credit at any age, but if you are 70 years old or older, you may be eligible for a special benefit that may reduce the taxes you owe for the past 3 years."; and

(ii) the website address and telephone number of the State Tax Sale Ombudsman where more information is available about the homeowners' property tax credit and how to apply;

(7) if the collector uses the tax sale process to enforce a lien for unpaid charges for water or sewer service and a water or sewer utility serving the collector's

jurisdiction offers a program for discounted water or sewer rates for low–income customers:

(i) a brief description of the program for discounted water or sewer rates for low–income customers; and

(ii) information on how to apply for the program, including, if applicable, a website address and telephone number where more information and applications are available;

(8) the following information concerning the Homeowner Protection Program under Part VII of this subtitle:

(i) the statement, "If you are a homeowner of limited income you may qualify for the Homeowner Protection Program, which could keep your home out of tax sale for at least 3 years and could help you to pay the taxes you owe and keep your home."; and

(ii) the website address and telephone number of the State Tax Sale Ombudsman where more information is available about the Homeowner Protection Program and how to apply; and

(9) any other information that may assist low–income homeowners in avoiding tax sale costs or foreclosure that the collector considers appropriate.

(c) For any individual who last appears as an owner of the property on the collector's tax roll who has been listed as an owner of the property on the collector's tax roll for at least the last 25 years, the collector shall provide, at least 30 days before the property is first advertised, a list that includes the individual's name and address and notice to the area agency, as defined in § 10–101 of the Human Services Article.

(d) Failure of the collector to mail the statement and notice to the last address of the person last assessed for the property, as it appears on the collector's tax roll, to mail, if applicable, a list including the name and address of an individual receiving the statement who has been listed as an owner of the property on the collector's tax roll for at least the last 25 years and notice to the area agency, or to include any taxes in the statement and notice, does not invalidate or otherwise affect any tax, except a tax that is required to be but has not been certified as provided in § 14–810 of this subtitle, or any sale made under this subtitle to enforce payment of taxes, nor prevent nor stay any proceedings under this subtitle, nor affect the title of any purchaser.

(e) In Baltimore City, the notice required under subsection (a) of this section shall be sent by first–class certified mail.

§14–813.

(a) (1) At any time after 30 days from the mailing of the statement and notice, the collector shall cause to be published, 4 times, once a week for 4 successive weeks in 1 or more newspapers that have a general circulation in the county in which the property is located, a notice that the property will, on the date and at the place named in the notice, be sold at public auction.

(2) In Dorchester County, Frederick County, Garrett County, Kent County, and Queen Anne's County, the notice shall be published 3 times, once a week for 3 successive weeks.

(3) (i) In Baltimore City, the notice shall be:

1. published two times, once per week in alternate weeks; and

2. posted on the City's website 4 weeks prior to the sale.

(ii) The required newspaper notice shall include a statement that notice shall be posted on the City's website along with instructions on how the public can access the website.

(b) In Prince George's County and Wicomico County, the cost of publishing the notice shall be the same as the prevailing rate for publishing other legal notices and advertisements.

(c) In Anne Arundel County, the notice shall be published in 2 newspapers published in the county.

(d) (1) The notice shall contain with substantial accuracy the following:

(i) a description of the property by giving the street number of the improvement and the frontage and depth of the lot, as the property appears on the collector's tax roll;

(ii) the name of the person who last appears on the collector's tax roll as the owner of the property;

(iii) the amount of all taxes due and unpaid on the property;

(iv) if the property is unimproved, or has no street number, the notice shall describe the property as it is described on the collector's tax roll, and no

unimproved property, or property having no street number, need be described by metes and bounds. If necessary to describe the property, the collector shall obtain a description and plat of the property from the county or municipal corporation surveyor, for which the sum of $7.50 shall be added to the total charges due on the property. If it is necessary to procure a description from the county or municipal corporation surveyor, the description shall be kept in the records of the collector's office and the published notice of sale shall contain a statement to the effect that a detailed description of the property to be sold, as prepared by the county or municipal corporation surveyor, is on file at the collector's office and may be examined by anyone interested in the description; and

(v) the assessment of the property as determined by last assessment.

(2) Failure of the collector to include any taxes in the published notice of sale does not affect the validity or collectibility of the taxes, except as required to be but have not been certified as provided in § 14–810 of this subtitle, or the validity of any sale made hereunder to enforce the payment of taxes, nor prevent nor stay proceedings under this subtitle nor affect the title of any purchaser.

(e) (1) The following expenses relating to the sale shall be allowed, all of which are liens on the property to be sold:

(i) the expense of publication of all notices;

(ii) the cost of the county or municipal corporation surveyor's description and plat, if necessary;

(iii) except as provided in items (vi) and (vii) of this paragraph, a fee to the attorney representing the county treasurer for services, that does not exceed $15 for each property; except that in any county that has a paid full–time solicitor, counsel or attorney, the fee shall be collected and paid into the general funds of the county;

(iv) the auctioneer's fee, as provided in paragraph (2) of this subsection;

(v) in Baltimore County, a fee, that may be established by the County Executive and subject to review by the County Council for legal services, administrative costs, and mailing expenses relating to the sale for each property, not to exceed actual costs, to be collected and paid into the general fund of Baltimore County;

(vi) in Somerset County, Wicomico County and Worcester County a fee to the attorney representing the county treasurer or director of finance, that does not exceed $35 for each property, to be approved by the county treasurer or director of finance and by the governing body;

(vii) in Baltimore City:

1. a fee of $30 for each property to the attorney representing the director of finance, that is collected and paid into the General Fund of Baltimore City; and

2. a fee that does not exceed $10 for the mailing of statements and notices;

(viii) in Montgomery County, instead of the fee allowed under item (iii) of this paragraph, a fee that does not exceed $30 for each property for legal services relating to the sale, to be collected and paid into the general funds of the county; and

(ix) a reasonable fee that does not exceed $150 for examinations of title before the mailing of statements and notices.

(2) The auctioneer's fee allowed in paragraph (1) of this subsection shall be:

(i) except in Baltimore City, Caroline County, Carroll County, Cecil County, Dorchester County, Frederick County, Garrett County, Harford County, Howard County, Kent County, Prince George's County, Queen Anne's County, Somerset County, St. Mary's County, Talbot County, Wicomico County, or Worcester County:

1. for any date when 1, 2, or 3 properties are sold, an amount not to exceed $10; and

2. for any date when 4 or more properties are sold, $3 for each property sold;

(ii) in Dorchester County, $7.50 for each property sold;

(iii) in Kent County, an amount not exceeding $7.50 for each property sold;

(iv) in Cecil County and Queen Anne's County, $7.50 for each property sold;

(v) in Somerset County and Wicomico County, $8 for each property sold;

(vi) in Worcester County, the greater of $8 for each property sold or $300, to be allocated pro rata among each property sold;

(vii) in Baltimore City:

1. for any date when 1, 2, or 3 properties are sold, an amount not to exceed $10;

2. for any date when 4 or more properties are sold, $3 for each property sold; and

3. in an electronic sale, an amount not to exceed $10 for each property sold;

(viii) in Carroll County, the amount set by the Carroll County Commissioners;

(ix) in Caroline County, Garrett County, Harford County, Howard County, Prince George's County, and Talbot County, $10 for each property sold;

(x) in Frederick County, the lowest responsive bid for each property sold; and

(xi) in St. Mary's County, the actual cost charged by the auctioneer for each property sold.

(f) In Garrett County, instead of complying with (d)(1)(i) through (iv) of this section, the notice shall contain a statement that gives the year or years for which the taxes are due and the amount of the taxes, to whom the property is assessed, the district where the property is located, the quantity of land offered for sale, the name or number of the tract or lot of land, if the property has a name or number, and is assessed by that name or number and if there is record evidence of the property in Garrett County, a reference to the record liber and folio where the deed or conveyance for the property is recorded, the name of the grantor and the date of the deed or conveyance, or any other description as is sufficient legally to identify the property, but in no case is a description by metes and bounds, courses and distances required. The collector in Garrett County may employ an attorney to examine the title to the land to be advertised or sold for taxes, under this subtitle, to provide the information

required for the notice and prepare the notice for publication, for which services a sum that does not exceed $150 shall be added to the total charges due on the property.

§14–814.

Each parcel of property liable to sale shall be sold as an entirety as the parcel of property is assessed in the assessment records.

§14–815.

The power under this subtitle to sell property for the nonpayment of taxes exists notwithstanding the existence of personal property of the owner of the property to be sold.

§14–816.

(a) Except as provided in subsection (b) of this section, when any property subject to sale under this subtitle is subject to a ground rent or lease for a term of 99 years renewable forever, the collector shall sell the leasehold interest only, with the improvements erected on the leasehold interest, if any; provided, however, that any property sold, subject to a ground rent or lease under this section, to a bona fide purchaser for value or the government of the jurisdiction conducting the sale, upon foreclosure of the rights of redemption, is not subject to any claim for rent unpaid, due, or accruing prior to the date of the judgment of foreclosure.

(b) If abandoned property in Baltimore City consisting of either a vacant lot or improved property cited as vacant and unfit for human habitation on a housing or building violation notice sold under this subtitle is subject to a ground rent or lease for a term of 99 years renewable forever, the collector shall sell the whole fee simple interest in the property.

(c) The termination of claims on property sold under subsection (a) of this section shall not foreclose any personal claims against previous holders of the interest sold, for rent unpaid, due, or accruing prior to the date of the judgment of foreclosure.

§14–817.

(a) (1) (i) The sale shall be held on the day and at the place stated in the notice by advertising.

(ii) The sale shall be held in the county in which the land to be sold is located.

(iii) If the sale cannot be completed on that day, the collector shall continue the sale as determined by the collector and announced to the bidders at the sale until all property included in the sale is sold.

(2) All sales shall be at public auction to the person who makes the highest good faith accepted bid, in fee or leasehold, as the case may be.

(3) (i) The collector shall retain any common law or other authority normally granted to an auctioneer conducting a public auction and may refuse to accept bids that are not made in good faith.

(ii) The collector may delegate this authority to an auctioneer.

(4) The conduct of the sale shall be according to terms set by the collector, and published with a reasonable degree of specificity in the public notice of the tax sale, to ensure the orderly functioning of the public auction and the integrity of the tax sale process, including requirements that potential bidders:

(i) establish their eligibility for bidding by presenting evidence of the legal existence of the bidding entity that is satisfactory to the collector;

(ii) limit their representation at a tax sale to no more than a single agent per bidding entity; and

(iii) refrain from any act, agreement, consent, or conspiracy to suppress, predetermine, rig, or fix the bidding at the sale.

(5) (i) If determined by the collector to be in the best public interest and included in the required public notice of the sale, the collector may solicit and accept bids from the highest bidder for any group of properties to be sold at the tax sale.

(ii) 1. Upon the request of any individual or group, the collector may remove any individual property or properties from a group of properties to be sold at the tax sale.

2. Upon the request of the property owner at least 15 days before the date of the tax sale, the collector shall remove any individual property or properties from a group of properties to be sold at the tax sale.

(iii) The collector shall provide notice to the potential bidders of any alterations to a group of properties at the time the bidders become known.

(iv) The collector may conduct the sale of a group of properties under this paragraph by a sealed bid process.

(v) Except in Montgomery County, the collector shall establish a high–bid premium under subsection (b)(2) of this section for all properties to be sold:

1. in groups; or

2. by sealed bid process.

(b) (1) Except as provided in subsection (c) of this section, property may not be sold for a sum less than the total amount of all taxes on the property that are certified to the collector under § 14–810 of this subtitle, together with interest and penalties on the taxes and the expenses incurred in making the sale, and the lien for the taxes, interest, penalties, and expenses passes to the purchaser.

(2) (i) The collector may establish a high–bid premium to be applied to all properties to be sold at the tax sale.

(ii) Except as provided in subparagraphs (iii) and (iv) of this paragraph, the high–bid premium shall be 20% of the amount by which the highest bid exceeds 40% of the property's full cash value.

(iii) Except as provided in subparagraph (iv) of this paragraph, in Baltimore City and Prince George's County, the high–bid premium shall be 20% of the amount by which the highest bid exceeds the greater of:

1. the lien amount; or

2. 40% of the property's full cash value.

(iv) For property assessed under agricultural use assessment, the high–bid premium shall be 20% of the amount by which the highest bid exceeds the appropriate value determined by the collector.

(v) In addition to the amounts payable under paragraph (1) of this subsection, the highest bidder shall pay a high–bid premium if the collector:

1. determines that a high–bid premium shall be used for the tax sale; and

2. indicates in the public notice of the sale that the high–bid premium will be applied.

(vi) The collector shall refund the high–bid premium, without interest, to:

1. the holder of the tax sale certificate on redemption of the property for which the high–bid premium was paid; or

2. the plaintiff in an action to foreclose the right of redemption on delivery of a tax sale deed for the property for which the high–bid premium was paid.

(vii) The high–bid premium is not refundable after the time required under § 14–833 of this subtitle for an action to foreclose the right of redemption if there has been no redemption and if an action to foreclose the right of redemption has not been filed within that time.

(c) (1) Abandoned property consisting of either a vacant lot or improved property cited as vacant and unfit for habitation on a housing or building violation notice may be sold for a sum less than the total amount of:

(i) all taxes on the property that are certified to the collector under § 14–810 of this subtitle;

(ii) interest and penalties on the taxes; and

(iii) expenses incurred in making the sale.

(2) The collector shall establish a minimum bid for abandoned property sold under this subsection.

(3) The person responsible for the taxes prior to the sale shall remain liable to the collector for the difference between the amount received in the tax sale under this section and the taxes, interest, penalties, and expenses remaining after the sale.

(4) The balance remaining after the tax sale shall be included in the amount necessary to redeem the property under § 14–828 of this subtitle.

(5) In a proceeding brought by the governing body of a county or municipal corporation to foreclose the right of redemption under this subtitle, the complaint may request a judgment for the county or municipal corporation in the amount of the balance.

(6) The balance remaining after the tax sale is no longer a lien on the property when:

(i) a judgment is entered foreclosing the owner's right of redemption;

(ii) the deed is recorded; and

(iii) all liens accruing subsequent to the date of sale are paid in full.

(7) The governing body of a county or municipal corporation may institute a separate action to collect the balance at any time within 7 years after the tax sale if the plaintiff is a private purchaser.

(d) (1) This subsection applies only in Prince George's County.

(2) In addition to the sale by public auction required under this section, the collector shall conduct a sale by limited auction prior to the public auction of abandoned property consisting of either a vacant lot or improved property cited as vacant and unfit for habitation on a housing or building violation notice.

(3) The sale by limited auction required under paragraph (2) of this subsection shall be open to bids only from an individual who is:

(i) employed in a public school located in Prince George's County;

(ii) employed by the Prince George's County Police Department;

(iii) employed by the Prince George's County Fire Department;

(iv) employed by the Prince George's County Office of the Sheriff;

(v) employed by the Prince George's County Department of Corrections;

(vi) employed by the Prince George's County government in a position not included under item (i), (ii), (iii), (iv), or (v) of this paragraph;

(vii) employed by a federal government agency located in Prince George's County;

(viii) employed by a municipal government in Prince George's County;

(ix) a veteran of any branch of the armed forces of the United States who has received an honorable discharge and is employed in Prince George's County; or

(x) a resident of Prince George's County.

(4) The collector shall include the date, time, and location of the limited auction required under this subsection in any notice of sale at public auction required under this subtitle.

(5) (i) The limited auction shall be subject to the same requirements for a public auction under this section.

(ii) The purchase of property at a limited auction shall be considered the same as a purchase at public auction under this section and shall be subject to the requirements of this subtitle in the same manner as a sale at public auction.

(iii) The collector shall establish a system to verify that individuals placing bids on property at the limited auction are eligible to do so under paragraph (3) of this subsection.

(iv) A certificate of sale for property purchased at a limited auction shall be void if the purchaser was not an eligible participant under paragraph (3) of this subsection.

(v) If a certificate of sale is void under subparagraph (iv) of this paragraph:

1. any right or interest of the holder of the certificate of sale is void and any payment received by the collector at the sale shall be forfeited and applied to any taxes in arrears on the property; and

2. the property shall be listed at the next limited or public auction held if the property is still eligible to be sold under this subtitle.

(6) Property offered for sale during a limited auction that is not sold shall be offered for sale at public auction in accordance with this section.

§14–817.1.

(a) Within 60 days after a property is sold at a tax sale, the collector shall send to the person who last appears as owner of the property on the collector's tax roll, at the last address shown on the tax roll, a notice that includes:

(1) a statement that the property has been sold to satisfy unpaid taxes;

(2) the date of the tax sale;

(3) the amount of the highest bid;

(4) the lien amount on the property at the time of sale;

(5) a statement that the owner has the right to redeem the property until a court forecloses that right;

(6) a statement that the purchaser of the property may institute an action to foreclose the property:

(i) as early as 6 months from the date of the sale; or

(ii) if a government agency certifies that the property requires, or shall require, substantial repair to comply with applicable building codes, as early as 60 days from the date of the sale;

(7) a statement that if the property is redeemed before an action to foreclose the right of redemption is filed, the amount that shall be paid to redeem the property is:

(i) the total lien amount on the property at the time of sale, with interest;

(ii) any taxes, interest, and penalties paid by the holder of the certificate of sale; and

(iii) any taxes, interest, and penalties accruing after the date of the tax sale;

(8) a statement that, if the property is redeemed more than 4 months after the date of the tax sale, and before an action to foreclose the right of redemption is filed, the holder of the certificate of sale may be reimbursed for:

(i) attorney's fees for recording the certificate of sale;

(ii) a title search fee, not to exceed $250; and

(iii) reasonable attorney's fees, not to exceed $500;

(9) a statement that, if the property is redeemed after an action to foreclose the right of redemption has been filed, the amount that shall be paid to redeem the property is the sum of:

(i) the total lien amount on the property at the time of sale, with interest;

(ii) any taxes, interest, and penalties paid by the holder of the certificate of sale;

(iii) any taxes, interest, and penalties accruing after the date of the tax sale; and

(iv) attorney's fees and expenses to which the holder of the certificate of sale may be entitled under § 14–843(a)(4) and (5) of this subtitle; and

(10) the provisions of § 14–843(a) of this subtitle, reproduced as they appear in the Code.

(b) The notice required under subsection (a) of this section shall be sent by first–class mail.

(c) The mailing required under this section shall include a separate insert that includes all of the information required under § 14–812(b) of this subtitle.

§14–818.

(a) (1) (i) The payment of the purchase price and the high–bid premium, if any, shall be on the terms required by the collector. Except as provided in subparagraphs (ii) and (iii) of this paragraph and § 14–826 of this subtitle, the collector shall require the purchaser to pay, not later than the day after the sale, the full amount of taxes due on the property sold, whether the taxes are in arrears or not, together with interest and penalties on the taxes, expenses incurred in making the sale, and the high–bid premium, if any. The residue of the purchase price remains on credit.

(ii) In Washington County, the collector shall require the purchaser to pay on the day of the sale the full amount of taxes due on the property

sold, whether the taxes are in arrears or not, together with interest and penalties on the taxes, and expenses incurred in making the sale.

(iii) In Baltimore City, when abandoned property is sold for less than the full amount of taxes due on the property, the collector shall require the purchaser to pay, not later than the day after the sale:

1. the full amount bid; and

2. the expenses incurred in making the sale.

(2) After the final decree has been passed foreclosing the right of redemption in any property, the collector may not execute or deliver a deed to any purchaser other than the governing body of a county until the balance of the purchase price has been paid in full, together with all taxes and interest and penalties on the taxes accruing after the date of sale.

(3) On receiving the balance and after accrued taxes and interest and penalties on the taxes, the collector shall execute and deliver a proper deed to the purchaser.

(4) Any balance over the amount required for the payment of taxes, interest, penalties, and costs of sale shall be paid by the collector to:

(i) the person entitled to the balance; or

(ii) when there is a dispute regarding payment of the balance, a court of competent jurisdiction pending a court order to determine the proper distribution of the balance.

(5) (i) Each county shall establish a process for a person entitled to any balance over the amount required for the payment of taxes, interest, penalties, and costs of sale to claim the balance.

(ii) The process required under this paragraph:

1. shall apply uniformly to all claims for balances within the county; and

2. may not require a court order, unless there is a dispute regarding payment of the balance.

(6) Within 90 days after delivering a deed to a purchaser, the collector shall notify the prior property owner of record of:

(i) the amount of any balance over the amount required for the payment of taxes, interest, penalties, and costs of sale; and

(ii) the process established under paragraph (5) of this subsection by which the prior property owner may claim the balance.

(b) In Washington County, any money held by the collector under subsection (a) of this section may be deposited in an interest–bearing account in a commercial bank. Any interest accrued is paid to the general fund of Washington County.

§14–819.

(a) If the person entitled to the balance over and above the amount required for the payment of taxes, interest, penalties, and costs of sale is unknown, or if the person's identity is known but the person's address is unknown, the sum to which the person is entitled shall be held by the collector in a special fund for at least 3 years. During that period the collector shall make every reasonable effort to learn the identity of the person, or to learn the person's address, as the case may be, by notice published at the courthouse door, certified mail, return receipt requested, bearing a postmark from the United States Postal Service, addressed to the person's last known address, personal inquiry, or by any other reasonably possible means for determining the name or the address of the person.

(b) If at the end of the 3–year period the person still is unknown or unlocated, the collector may apply to the circuit court for the county, for an order declaring that the money shall be forfeited and become the property of the county or municipal corporation. The court shall determine on inquiry that all proper and reasonable effort has been made by the collector to determine the name or address of the person, and if the court is satisfied, it shall pass an order directing that the money shall be forfeited and become the property of the county or municipal corporation.

(c) The money shall then be paid into and be part of the general funds of the county or municipal corporation and may be expended for any proper purpose of the county or municipal corporation.

(d) If within 7 years from the time of the order of forfeiture a person appears before the circuit court and seeks an order for the payment of the money, and if the court determines that the person is the proper person to receive the money and is the person whom the collector was not able to identify or locate, the court by order shall direct the county or municipal corporation to repay the money to the person, without interest.

(e) On receiving the order, the county or municipal corporation shall provide for the repayment of the money from its general funds. A repayment order may not be directed to the county or municipal corporation after the 7–year period expires.

§14–820.

(a) The collector shall deliver to the purchaser a certificate of sale under the collector's hand and seal, or by the collector's authorized facsimile signature, acknowledged by the collector as a conveyance of land, which certificate shall set forth:

(1) that the property described in it was sold by the collector to the purchaser;

(2) the date of the sale;

(3) the amount for which the property was sold;

(4) the total amount of taxes due on the property at the time of sale together with interest, penalties and expenses incurred in making the sale;

(5) a description of the property in substantially the same form as the description appearing on the collector's tax roll. If the property is unimproved or has no street number, and the collector has procured a description of the property from the county or municipal corporation surveyor, this description shall be included in the certificate of sale. In Garrett County a copy of the description as required by § 14–813(f) of this subtitle, as that section relates specifically to Garrett County, shall be included in the certificate of sale;

(6) a statement that the rate of redemption is 6% a year, except as provided in subsection (b) of this section;

(7) the time when an action to foreclose the right of redemption may be instituted; and

(8) (i) that the certificate will be void unless foreclosure proceedings are brought within 2 years from the date of the certificate; or

(ii) that, unless foreclosure proceedings are brought within 3 months from the date of the certificate to any abandoned property in Baltimore City sold under § 14–817(c)(1) of this subtitle with a minimum bid less than the lien amount, the certificate:

1. is void as to a private purchaser; and

2. reverts to the Mayor and City Council for a period of 2 years from the date of the tax sale.

(b) The rate of redemption is 6% a year except:

(1) in Allegany County the rate is 6% a year or as fixed by the County Commissioners;

(2) in Anne Arundel County the rate is 6% a year or as fixed by a law of the County Council;

(3) in Baltimore City the rate is 6% a year or as fixed by a law of the City Council;

(4) in Baltimore County the rate is 6% a year or as fixed by a law of the County Council;

(5) in Cecil County the rate is 6% a year or as fixed by the County Commissioners;

(6) in Calvert County the rate is 10% a year or as fixed by the County Commissioners;

(7) in Caroline County the rate is 10% a year or as fixed by the County Commissioners;

(8) in Carroll County the rate is 14% a year or as fixed by the County Commissioners;

(9) in Dorchester County the rate is 10% a year or as fixed by the County Commissioners;

(10) in Frederick County the rate is 6% a year or as fixed by the governing body of Frederick County;

(11) in Garrett County the rate is 10% a year or as fixed by the County Commissioners;

(12) in Harford County the rate is 6% a year or as fixed by a law of the County Council;

(13) in Howard County the rate is 6% a year or as fixed by a law of the County Council;

(14) in Kent County the rate is 6% a year or as fixed by the County Commissioners;

(15) in Montgomery County the rate is 6% a year or as fixed by a law of the County Council;

(16) in Prince George's County the rate is 6% a year or as fixed by a law of the County Council;

(17) in Queen Anne's County the rate is 6% a year or as fixed by the County Commissioners;

(18) in Somerset County, Charles County, Wicomico County, and Worcester County the rate is 6% a year or as fixed by the County Commissioners or by a law of the County Council;

(19) in Talbot County the rate is 6% a year or as fixed by a law of the County Council; and

(20) in Washington County the rate is 6% a year or as fixed by the County Commissioners.

(c) The certificate of sale shall be in substantially the following form:

"I, ..., Collector of Taxes for the State of Maryland and the ..... of ....., certify that on ....., 20...., I sold to ....., at public auction for the sum of ..... Dollars and ..... Cents, of which ..... Dollars has been paid, the property in ..... described as ..... and assessed to ..... The property described in this certificate is subject to redemption. On redemption the holder of the certificate will be refunded the sums paid on account of the purchase price together with interest at the rate of 6% a year from the date of payment to the date of redemption (except as stated in subsection (b) of § 14–820 of the Tax – Property Article of the Annotated Code of Maryland), together with all other amounts specified by Chapter 761 of the Acts of 1943, and acts that amend that chapter. The balance due on account of the purchase price and all taxes, together with interest and penalties on the taxes, accruing after the date of sale, must be paid to the Collector before a deed can be delivered to the purchaser. After ....., 20...., a proceeding can be brought to foreclose all rights of redemption in the property. This certificate will be void unless such a proceeding is brought within 2 years from the date of this certificate, except that in Baltimore City, with respect to any abandoned property sold under § 14–817(c) of the Tax – Property Article of the Annotated Code of Maryland with a minimum bid less than the lien amount, the

certificate will revert to the Mayor and City Council and will be void as to the private purchaser at tax sale unless such a proceeding is brought within 3 months from the date of the certificate.

Witness my hand and seal, this ..... day of ....., 20.....

.....
Collector"

(To be followed by acknowledgment).

§14–820.1.

The collector shall deliver a certificate of sale to the governing body of a county or municipal corporation for each property withheld from sale by the governing body of the county or municipal corporation under § 14–811(c) of this subtitle.

§14–821.

(a) Except as provided in subsection (b) of this section, any certificate of sale executed and delivered by the collector to the purchaser is assignable and an assignment of the certificate of sale vests in the assignee, or the legal representative of the assignee, all the right, title, and interest of the original purchaser. The assignment of certificate of sale may be made in accordance with the provisions of law relating to the short assignment of mortgages.

(b) A certificate of sale issued to a purchaser at a limited auction under § 14–817(d) of this subtitle may not be assigned to another person.

(c) (1) The governing body of a county or municipal corporation may file a motion with the court requesting that a certificate of sale be assigned to the governing body of the county or municipal corporation if:

(i) a foreclosure action has been initiated by the holder of the certificate of sale in accordance with this subtitle; and

(ii) the foreclosure action is subject to dismissal for a lack of prosecution under Maryland Rule 2–507 or a motion for the entry of a final order has not been filed in the foreclosure action within 18 months after the filing of the complaint, whichever is earlier.

(2) On the filing of a motion under this subsection, the court shall direct the holder of the certificate of sale to show good cause as to why the court should not grant the motion.

(3) If the holder of the certificate of sale fails to respond to the motion in accordance with the Maryland Rules, the court shall grant the motion.

(4) If a court grants a motion under this subsection, the holder of the certificate of sale shall forfeit:

(i) any rights under the certificate of sale; and

(ii) the amount paid to acquire the certificate of sale.

§14–822.

The purchaser may record the certificate of sale and any assignment of the certificate of sale among the land records of the county in which the property is located, but failure to record does not affect the right to institute foreclosure proceedings as provided in this subtitle.

§14–823.

The certificate of sale or assignment of the certificate of sale is presumptive evidence in all courts in all proceedings by and against the purchaser, and the purchaser's representatives, heirs and assigns, of the truth of the statements in the certificate of sale or assignment of the certificate of sale, of the title of the purchaser to the property described in the certificate of sale or assignment of the certificate of sale, and of the regularity and validity of all proceedings had in reference to the taxes for the nonpayment of which the property was sold and the sale of the property.

§14–824.

(a) Except as provided in subsection (b) of this section, the governing body of a county or other taxing agency shall buy in and hold any property in their respective counties offered for sale for nonpayment of any taxes for which there is no private purchaser.

(b) (1) The governing body of a county or other taxing agency may buy in and hold any abandoned property for which there is no private purchaser for the amount of the minimum bid set pursuant to § 14–817(c)(2) of this subtitle.

(2) The governing body of a county or other taxing agency may transfer any interest it acquires in abandoned property to a land bank authority established under § 1–1403 of the Local Government Article of which the governing body or other taxing agency is a member.

(c) The governing body of the county, a land bank authority established under § 1–1403 of the Local Government Article of which the county is a member, and other taxing agency have the same rights and remedies with regard to the property as other purchasers, including the right to foreclose the right of redemption.

(d) A certificate of sale in the form provided in this subtitle shall be issued by the collector in the name of the governing body of the county or other taxing agency.

§14–825.

When the governing body of a county or other taxing agency has purchased any property at a tax sale, it may sell and assign the certificate of sale relating to the property or after foreclosure sell the property.

§14–826.

When any property on which there are unpaid taxes due to any other taxing agency or to the State is purchased by the governing body of the county at a sale held by the collector under this subtitle, or after being purchased is transferred to a land bank authority established under § 1–1403 of the Local Government Article, neither the governing body of the county nor an authority need make and the collector or other taxing agency or the State is not entitled to demand immediate payment of the taxes due another taxing agency or the State. On the resale of the property by the governing body of the county or authority, unless the property is redeemed by the owner in accordance with § 14–827 of this subtitle, or on the sale by the governing body of the county of a certificate of sale under § 14–825 of this subtitle, other than to an authority of which the governing body is a member, the governing body of the county or the authority shall pay to the other taxing agency and to the State the proportion of the proceeds of sale as the taxes due the other taxing agency or the State bear to the total amount of taxes due the State, the county, and all other taxing agencies, after deducting the cost of sale and all other expenses connected with the sale.

§14–827.

The owner or other person that has an estate or interest in the property sold by the collector may redeem the property at any time until the right of redemption has been finally foreclosed under the provisions of this subtitle.

§14–828.

(a) (1) If the property is redeemed, the person redeeming shall pay the collector:

(i) the total lien amount paid at the tax sale for the property together with interest;

(ii) any taxes, interest, and penalties paid by any holder of the certificate of sale;

(iii) except as provided under paragraph (2) of this subsection, any delinquent taxes, interest, and penalties accruing after the date of the tax sale;

(iv) in the manner and by the terms required by the collector, any expenses or fees for which the plaintiff or the holder of a certificate of sale is entitled to reimbursement under § 14–843 of this subtitle; and

(v) for vacant and abandoned property sold under § 14–817 of this subtitle for a sum less than the amount due, the difference between the price paid and the unpaid taxes, interest, penalties, and expenses.

(2) For owner–occupied residential property in Baltimore City, any taxes, interest, and penalties accruing after the date of the tax sale may not be included in the redemption payment required under paragraph (1) of this subsection.

(b) The rate of interest on redemption under subsection (a) of this section shall be set under § 14–820 of this subtitle computed from the date of the tax sale to the date of the redemption payment.

(c) On receipt of the proper amount, the collector shall notify the holder of the certificate of sale that the property has been redeemed and that on surrender of the certificate of sale all redemption money excluding taxes received by the collector will be paid to the holder. For the purposes of this section, the collector is authorized to conclusively presume that the original purchaser at the tax sale is the holder of the certificate of sale, unless the collector receives a written notice of an assignment of the certificate of sale that gives the collector the name and address of the assignee. Upon request, the collector shall execute and deliver to the person redeeming the property a certificate of redemption which may be recorded among the land records of the county in which the land is located, and when recorded shall have the same effect as a release of a mortgage.

§14–829.

(a) If the property is redeemed after an action to foreclose the right of redemption is instituted and there is any dispute regarding redemption, the person redeeming may apply to the court before which the action is pending to fix the amount necessary for redemption in accordance with the provisions of this subtitle.

(b) Except as provided in subsection (c) of this section, the collector may accept money for redemption without an order of court.

(c) If there is any dispute regarding redemption, the collector shall accept no money for redemption unless and until a certified copy of the order of court fixing the amount necessary for redemption is filed with the collector.

§14–830.

(a) The owner of any property sold under the provisions of this subtitle shall have the right, during the period of redemption, to continue in possession of, and to exercise all rights of ownership over the property until the right of redemption has been finally foreclosed under the provisions of this subtitle.

(b) The holder of any certificate of sale may apply to the circuit court for the county in which the property is located for the appointment of a receiver of the property covered by the certificate, in accordance with the usual provisions of the laws and of rules and practice of the circuit courts that relate to receivers.

(c) If any certificate of sale is held by the governing body of the county or any other taxing agency, the governing body or taxing agency may make application by complaint, to the circuit court for the county for the appointment of a receiver of the property covered by the certificate of sale.

(d) The defendant, in the action brought by the governing body of the county or any other taxing agency under subsection (c) of this section for the appointment of a receiver shall be the owner of the property whose name last appears as the owner on the collector's tax roll.

(e) However, except as to property actually occupied by the owner if a certificate of sale is held by the Mayor and City Council of Baltimore City or the governing body of a county, then the Mayor and City Council of Baltimore City or the governing body of the county has the right of immediate possession of the property represented by the certificate of sale and to the rents accruing from the property from the date of sale, without the necessity of receivership proceedings.

(f) The Mayor and City Council of Baltimore City or the governing body of the county shall make a strict accounting of any and all rents collected to the owner on redemption of the property, and on the redemption, shall remit the rents, less all expenses required for the property maintenance and upkeep of the property.

(g) Any reasonable sums caused to be expended to conserve or stabilize the property shall become part of the redemption amount, provided the sums expended and the necessity for making the repairs are approved by the court.

§14–831.

Until a judgment is issued by the circuit court that forecloses all rights of redemption in any property sold by the collector, the property shall continue to be assessed as though no sale had been made, whether the governing body of the county or some other person holds the certificate of sale. Once the judgment is passed, the property shall be transferred on the assessment books or records to the holder of the certificate of sale notwithstanding the provisions of § 3–104 of the Real Property Article. After the transfer, the property shall be assessed to the holder of the certificate of sale for property tax purposes. All taxes accruing after the date of sale, together with interest and penalties on the taxes, are additional liens against the property and on passage of the final decree, are immediately due and payable by the holder of the certificate of sale except as provided under § 14–826 of this subtitle. The collector may not deliver a deed to the person entitled to the deed until all subsequent taxes, together with interest and penalties on the taxes, are paid in full. If the governing body of a county or a land bank authority established under § 1–1403 of the Local Government Article is a holder of the certificate of sale, the collector shall deliver a deed for property purchased at tax sale by the governing body of the county even though taxes are unpaid, the provisions of § 3–104 of the Real Property Article and § 14–847 of this subtitle notwithstanding.

§14–832.

The provisions of §§ 14–832.1 through 14–854 of this subtitle shall be construed to ensure a balance between:

(1) the due process and redemption rights of persons that own or have an interest in property sold at a tax sale; and

(2) the public policy of providing marketable title to property that is sold at a tax sale through the foreclosure of the right of redemption.

§14–832.1.

In Queen Anne's County, whenever, prior to July 1, 1985, any property was sold for the nonpayment of any taxes and the sale has not been ratified and confirmed, any purchaser at the prior tax sale may proceed under the provisions of this subtitle to foreclose all rights of redemption in the property purchased. The collector, upon surrender of a receipt or of any other instrument evidencing payment of the necessary part of the purchase price, shall deliver to the purchaser a certificate signed by the

collector containing all available information concerning the prior sale. Any certificate issued under this subtitle shall have the same force and effect as other certificates issued under the provisions of this subtitle and shall be subject to all of the provisions of this subtitle relating to any other certificates of sale. Any collector may issue the certificate provided for in this subtitle, notwithstanding the fact that any prior tax sale was made by one of the collector's predecessors in office. The provisions of this subtitle may not affect the right of any purchaser at a tax sale held prior to July 1, 1985 to proceed under the provisions of laws existing prior to July 1, 1985. Any purchaser may, at the option of the purchaser, proceed under the provisions of this subtitle or under the provisions of such prior existing laws.

§14–832.2.

In Queen Anne's County, whenever, prior to July 1, 1985, any property was sold for the nonpayment of any taxes and the sale had been ratified and confirmed, whether or not a deed has been delivered to the purchaser, any purchaser at the prior tax sale may proceed under the provisions of this subtitle relating to the foreclosure of rights of redemption. The collector, upon surrender of a receipt or any other instrument evidencing payment of the purchase price, shall deliver to the purchaser a certificate signed by the collector containing all available information concerning the prior sale. Any certificate issued under this section shall have the same force and effect as other certificates issued under the provisions of this subtitle and shall be subject to all of the provisions of this subtitle relating to any other certificates of sale. Any collector may issue the certificate provided for in this section, notwithstanding the fact that any such prior sale was made by one of the collector's predecessors in office.

§14–832.3.

In Queen Anne's County, when any tax sale made prior to July 1, 1985 has been finally ratified, then no circuit court in this State shall on and after July 1, 1987, entertain any proceedings to set aside or modify any title to any interest obtained in such sale.

§14–833.

(a) (1) Except as provided in paragraph (2) of this subsection and subsections (a–1), (e), (f), and (g) of this section, at any time after 6 months from the date of sale a holder of any certificate of sale may file a complaint to foreclose all rights of redemption of the property to which the certificate relates.

(2) Except as provided in subsections (a–1), (e), (f), and (g) of this section, at any time after 9 months from the date of sale of owner–occupied residential

property, a holder of any certificate of sale may file a complaint to foreclose all rights of redemption of the property to which the certificate relates.

(a–1) (1) The holder of a certificate of sale may not file a complaint to foreclose the right of redemption until at least 2 months after sending the first notice and at least 30 days after sending the second notice required under this subsection to:

(i) the person who last appears as owner of the property on the collector's tax roll; and

(ii) 1. the current mortgagee of the property, assignee of a mortgagee of record, or servicer of the current mortgage; or

2. the current holder of a beneficial interest in a deed of trust recorded against the property.

(2) The holder of a certificate of sale is not required to provide the notices under this subsection if subsection (e), (f), or (g) of this section applies to the property.

(3) The notices required under this subsection shall include at least the following:

(i) a statement of the fact of the issuance of a certificate of sale;

(ii) a copy of the certificate of sale, if the holder of the certificate of sale received the certificate of sale before the notice was sent under this paragraph;

(iii) a statement that the owner, a mortgage holder, or any other person that has an estate or interest in the property may redeem the property at any time until the right of redemption has been finally foreclosed under the provisions of this subtitle;

(iv) a statement that the holder of the certificate of sale may file an action to foreclose the right of redemption at any time after 2 months from the date of the first notice;

(v) a statement that if the property is redeemed before an action to foreclose the right of redemption is filed, the amount that shall be paid to redeem the property is:

1. the total lien amount on the property at the time of sale, with interest;

2. any taxes, interest, and penalties paid by the holder of the certificate of sale;

3. any delinquent taxes, interest, and penalties accruing after the date of the tax sale; and

4. the following expenses incurred by the holder of the certificate of sale:

A. costs for recording the certificate of sale;

B. a title search fee, not to exceed $250;

C. the postage and certified mailing costs actually incurred for the notices; and

D. reasonable attorney's fees, not to exceed $500;

(vi) a statement that if the property is redeemed after an action to foreclose the right of redemption has been filed, the amount that shall be paid to redeem the property is the sum of:

1. the total lien amount on the property at the time of sale, with interest;

2. any taxes, interest, and penalties paid by the holder of the certificate of sale;

3. any delinquent taxes, interest, and penalties accruing after the date of the tax sale; and

4. attorney's fees and expenses to which the holder of the certificate of sale may be entitled under § 14–843(a)(4) and (5) of this subtitle;

(vii) the provisions of § 14–843(a) of this subtitle, reproduced as they appear in the Code;

(viii) a statement that, in Baltimore City only, the holder of the certificate of sale is entitled to taxes, interest, and penalties paid in accordance with § 14–843(c) of this subtitle and interest at the rate of redemption under § 14–820 of this subtitle from the date of payment to the date of redemption; and

(ix) the name, address, e–mail address, and telephone number of:

1. the holder of the certificate of sale, or the holder's agent or attorney; and

2. the collector who made the sale.

(4) (i) 1. Except as provided in subsubparagraph 2 of this subparagraph, the first of the two notices required under this subsection may not be sent until 4 months after the date of sale.

2. For owner–occupied residential property, the first of the two notices required under this subsection may not be sent until 7 months after the date of sale.

(ii) The second of the two notices required under this section shall be sent:

1. to the persons listed in paragraph (1) of this subsection; and

2. no earlier than 1 week after the first notice required under this subsection is sent.

(5) (i) If a certificate of sale is assigned after the first notice required under this subsection is sent and before an action to foreclose the right of redemption is filed, the assignee:

1. at any time after the assignment, shall send one additional notice under this subsection reflecting the new holder of the certificate; and

2. may not file a complaint to foreclose the right of redemption until at least 2 months after the additional notice has been sent.

(ii) 1. This subparagraph does not apply in Baltimore City.

2. For owner–occupied residential property sold under this subtitle, before the filing of a complaint to foreclose the right of redemption, the current payoff amount to redeem the property may be requested by the:

A. owner of the property;

B. current mortgagee of the property, assignee of a mortgagee of record, or servicer of the current mortgage; or

C. current holder of a beneficial interest in a deed of trust recorded against the property.

3. A request made under subsubparagraph 2 of this subparagraph shall be made to the holder of the certificate of sale by phone, e–mail, or other contact method provided by the holder to the collector.

4. The payoff amount to redeem the property provided by the holder of the certificate of sale in accordance with subsubparagraph 2 of this subparagraph shall:

A. include only those expenses incurred before the holder of the certificate of sale received the request for the payoff amount; and

B. be deemed valid for a period of 30 days from the date the holder of the certificate of sale provides the payoff amount to the person who requested the payoff amount.

(iii) 1. In Baltimore City, for owner–occupied residential property, prior to the filing of a complaint to foreclose the right of redemption, an owner of property sold under this subtitle may send a request for the current payoff amount to redeem the property.

2. A request made under subsubparagraph 1 of this subparagraph shall be sent to the holder of the certificate of sale by first–class certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service.

3. Within 10 days of delivery of a notice sent under subsubparagraph 1 of this subparagraph, the holder of a certificate of sale shall send the owner of the property, by first–class certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service, the current payoff amount to redeem the property, as of the date the request was made.

4. Except as provided in subsubparagraph 6 of this subparagraph, a holder of a certificate of sale who receives a request for a current payoff amount to redeem property under this subparagraph may not file a complaint to foreclose the right of redemption until the later of:

A. 20 days after the request under subsubparagraph 1 of this subparagraph is received by the holder of the certificate of sale;

B. 10 days after the holder of the certificate of sale sends the owner of the property the current payoff amount to redeem the property; or

C. the date on which a holder of the certificate of sale may file a complaint to foreclose the right of redemption under paragraphs (1) and (4) of this subsection.

5. The payoff amount to redeem the property provided by the holder of the certificate of sale in accordance with subsubparagraph 3 of this subparagraph shall be deemed valid for a period of 30 days from the date the holder of the certificate of sale sends the owner of the property the payoff amount.

6. If the owner of property sends more than 2 requests under subsubparagraph 1 of this subparagraph, the restrictions on filing a complaint to foreclose the right of redemption may not apply to a third or subsequent request.

(6) (i) The first of the two notices required under this subsection shall be sent:

1. by first–class certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service; and

2. in an envelope prominently marked on the outside with the following phrase "Notice of Delinquent Property Tax".

(ii) The second of the two notices required under this subsection shall be sent:

1. by first–class certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service; and

2. in an envelope prominently marked on the outside with the following phrase "Notice of Delinquent Property Tax".

(7) The notice required under this subsection shall be sent to each person at the person's last address known to the holder of the certificate of sale, as obtained from:

(i) the last deed or mortgage relating to the property recorded among the land records in the county in which the property is located;

(ii) the tax rolls of the collector who made the sale, as to the property described in the certificate of sale; and

(iii) with respect to the address of the resident agent and the principal office of the current mortgagee of record, the Department of Assessments and Taxation.

(8) In a proceeding to foreclose the right of redemption, if the holder of a certificate of sale, the holder's agent, or the attorney of the holder of a certificate of sale, files an affidavit, before the court enters a final judgment foreclosing the right of redemption, attesting to the fact that the affiant has complied with the notice provisions of this subsection and provides evidence that the second of the two notices required under this subsection was sent by certified mail as required under paragraph (6)(ii) of this subsection, then:

(i) the notice provisions of this subsection shall be deemed satisfied; and

(ii) the failure of the owner, mortgagee, or beneficiary of a deed of trust to receive the required notice does not invalidate the proceeding to foreclose the right of redemption or the final judgment of the court.

(b) The right to redeem shall continue until finally barred by decree of the circuit court in which the foreclosure proceeding is filed.

(c) (1) The certificate is void unless a proceeding to foreclose the right of redemption is filed within 2 years of the date of the certificate of sale.

(2) A certificate for abandoned property sold under § 14–817(c) of this subtitle with a minimum bid less than the lien amount reverts to the county or municipal corporation and is void as to the private purchaser at tax sale unless:

(i) a proceeding to foreclose the right of redemption is filed within 3 months of the date of the certificate of sale; and

(ii) unless the holder is granted an extension by the court due to a showing of extraordinary circumstances beyond the certificate holder's control, the holder secures a decree from the circuit court in which the foreclosure proceeding was filed within 18 months from the date of the filing of the foreclosure proceeding.

(3) In Prince George's County, a certificate for property sold at a limited auction is void if the purchaser was not an eligible participant under § 14–817(d)(3) of this subtitle.

(d) (1) If a certificate is void under subsection (c) of this section, then any right, title, and interest of the holder of the certificate of sale, in the property sold shall cease and all money received by the collector on account of the sale shall be deemed forfeited, and shall be applied by the collector on the taxes in arrears on the property.

(2) If a certificate for abandoned property reverts to the Mayor and City Council of Baltimore City under this section, the Mayor and City Council may:

(i) file a foreclosure proceeding in its own name; or

(ii) 1. resell the certificate; and

2. apply all money received on account of the sale to any outstanding balance remaining after the sale on the tax debt owed by the previous owner of the abandoned property.

(e) If any building or structure is sold and purchased under this subtitle, and the appropriate government agency certifies that the particular building or structure involved requires, or within 6 months shall require, substantial repairs to comply with the applicable building code:

(1) the holder of any certificate of sale may at any time after 60 days from the date of sale file a complaint to foreclose all rights of redemption of the property to which the certificate relates; and

(2) the certificate of the appropriate government agency shall be a part of the complaint to foreclose the rights of redemption.

(f) The holder of a certificate of sale for abandoned property sold under § 14–817(c) of this subtitle with a minimum bid less than the lien amount may file a complaint to foreclose all rights of redemption in the property at any time after the date of sale.

(g) When the governing body of a county or municipal corporation becomes the holder of a certificate of sale purchased in accordance with § 14–824 of this subtitle, the governing body of the county or municipal corporation may file a complaint, at any time after the date of sale, to foreclose all rights of redemption in abandoned property consisting of:

(1) a vacant lot; or

(2) improved property cited as vacant and unfit for habitation on a housing or building violation notice.

(h) The holder of a certificate of sale for abandoned property consisting of either a vacant lot or improved property cited as vacant and unfit for habitation on a housing or building violation notice in Prince George's County that is sold under § 14–817(d) of this subtitle may file a complaint to foreclose all rights of redemption in the property at any time after the date of sale.

§14–834.

The circuit court, on the filing of a complaint to foreclose the right of redemption, has jurisdiction to give complete relief under this subtitle, in accordance with the general jurisdiction and practice of the court, and with all laws and rules of court that relate to the circuit courts for the county in which the property is located, except as otherwise provided in this subtitle, to bar all rights of redemption and to foreclose all alienations and descents of the property occurring before the judgment of the court as provided in this subtitle and all liens and encumbrances on the property, except property taxes that arise after the date of sale, and to order an absolute and indefeasible estate in fee simple or leasehold to be vested in the holder of the certificate of sale.

§14–835.

(a) A person shall file a complaint in the circuit court for the county in which the land is located, that states:

(1) the fact of the issuance of the certificate of sale;

(2) a description of the property in substantially the same form as the description appearing on the certificate of tax sale and, if the person chooses, any description of the property that appears in the land records;

(3) the fact that the property has not been redeemed by any party in interest;

(4) a request for process to be served on the defendants named in the complaint;

(5) a request for an order of publication directed to all parties in interest in the property;

(6) a request that the court pass a judgment that forecloses all rights of redemption of the defendants and any other person having any interest in the property;

(7) a description of the amount necessary for redemption including the amount paid out at the tax sale; and

(8) at the option of the plaintiff, in a foreclosure proceeding brought by the Mayor and City Council of Baltimore City for abandoned property sold for a sum less than the amount due under § 14-817 of this subtitle, a request that the court pass a judgment for the City and against the person liable for the taxes prior to the sale in the amount of the unpaid taxes, interest, penalties, and expenses otherwise due in a tax sale.

(b) The certificate of sale issued by the collector to the purchaser or a photostatic copy of the certificate of sale shall be attached to the complaint and shall be made part of the complaint.

§14–836.

(a) The plaintiff in any action to foreclose the right of redemption shall be the holder of the certificate of sale.

(b) (1) Except as otherwise provided in this subsection, the defendants in any action to foreclose the right of redemption shall be:

(i) the record title holder of the property as disclosed by a search performed in accordance with generally accepted standards of title examination of the land records of the county, of the records of the register of wills of the county, and of the records of the circuit court for the county;

(ii) if the property is subject to a ground rent, the record title holder of the fee–simple title and the owner of the leasehold title as disclosed by a search performed in accordance with generally accepted standards of title examination of the land records of the county, of the records of the register of wills of the county and of the records of the circuit court for the county;

(iii) any mortgagee of the property or any assignee of the mortgagee of record, named as such in any unreleased mortgage recorded in the land records of the county;

(iv) the trustee under any deed of trust recorded against the property or any holder of a beneficial interest in a deed of trust who files notice of the interest, which notice shall include identification of the deed of trust, the book and

page where the deed of trust is recorded, and the address at which the holder may be served with a summons;

(v) the county where the property is located; and

(vi) if appropriate, the State.

(2) The plaintiff may choose not to include as a defendant any of the persons enumerated in paragraph (1) of this subsection. However, the rights of any person not included as a defendant are not affected by the proceedings.

(3) Subject to the provisions of paragraph (4) of this subsection, it is not necessary to name as defendant any other person that has or claims to have any right, title, interest, claim, lien or equity of redemption in the property sold by the collector. Any of these persons are included as defendants by the designation "all persons that have or claim to have any interest in property ..... (giving a description of the property in substantially the same form as the description that appears on the Collector's certificate of tax sale)." Any of these persons may be designated throughout the proceeding by the above designation and the cause may proceed against them by publication under order of court as provided in this subtitle.

(4) (i) Notwithstanding the provisions of paragraph (3) of this subsection, the plaintiff shall send written notice of the proceeding to:

1. all persons having a recorded interest, claim, or lien, including a judgment, who have not been made a defendant in the proceeding, and, if the subject property is part of a homeowners association or condominium association, to the homeowners association or condominium association governing the property, at the last reasonably ascertainable address; and

2. each tenant of the subject property whose identity is known to the plaintiff, at the tenant's last reasonably ascertainable address.

(ii) The notice under this subsection shall:

1. be sent by certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service; and

2. be accompanied by a copy of the complaint.

(iii) The plaintiff shall file in the action:

1. the return receipt from the notice; or

2. an affidavit that:

A. the notice provisions of this subsection have been complied with; or

B. the address of the holder of the subordinate interest is not reasonably ascertainable.

(iv) Notwithstanding any other provisions of this subsection, the plaintiff shall send written notice of the proceeding to any tenant of the subject property whose occupancy of the property is reasonably ascertainable by the plaintiff, whether or not the tenant's identity is known:

1. by first–class mail, postage prepaid, bearing a postmark from the United States Postal Service addressed to the tenant by name if the identity of the tenant is known to the plaintiff, and addressed to "occupant" if the identity of the tenant is not known;

2. to each separately leased area of the property that the plaintiff can reasonably ascertain is occupied;

3. in an envelope prominently marked on the outside with the following phrase "Notice of Action to Foreclose"; and

4. accompanied by a copy of the complaint.

(v) A notice to tenants under this paragraph shall include the following statement in conspicuous, bold–faced print:

"If the unpaid taxes, together with costs and expenses, are not paid, the court may enter a judgment foreclosing the right of redemption that would terminate your lease and right to occupy the property. You have the right to pay the unpaid taxes, together with costs and expenses, and avoid lease termination and eviction. A judgment foreclosing the right of redemption could be entered within the next 90 days and at that time you could be evicted or required to vacate the property.".

(5) If the filing under paragraph (4)(iii) of this subsection is made before final ratification of the sale, failure of a holder of a subordinate interest or a tenant to receive the notice does not invalidate the sale.

(6) Further notice of the proceeding shall be required by posting of the property in accordance with applicable Maryland Rules of Procedure.

(7) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, after issuance of the judgment foreclosing right of redemption and at least 30 days before taking possession of the property, the plaintiff shall give any tenant of the property written notice of the plaintiff's intention to obtain possession of the property and that the tenant must vacate the property within 30 days after the notice.

(ii) During the 30–day period immediately following issuance of the judgment foreclosing the right of redemption, the plaintiff may apply for, process, and obtain, but not execute upon, a writ for possession of the property.

(iii) The notice shall be sent:

1. by first–class mail, postage prepaid, bearing a postmark from the United States Postal Service addressed to the tenant by name if the identity of the tenant is known to the plaintiff, and addressed to "occupant" if the identity of the tenant is not known;

2. to each separately leased area of the property that the plaintiff can reasonably ascertain is occupied; and

3. in an envelope prominently marked on the outside with the following phrase "Notice of Taking Possession of Property".

(8) (i) If an individual required to be named as a defendant is deceased and the plaintiff knows of a personal representative, the plaintiff shall join the personal representative as a defendant.

(ii) If an individual required to be named as a defendant is deceased, or is believed by the plaintiff to be deceased, and the plaintiff knows of no personal representative, the plaintiff shall state those facts in an affidavit filed with the complaint.

(iii) If the plaintiff states in an affidavit under subparagraph (ii) of this paragraph that an individual is deceased, the plaintiff may join as defendants "the testate and intestate successors of _____ (naming the deceased individual), deceased, and all persons claiming by, through, or under the decedent".

(iv) If the plaintiff states in an affidavit under subparagraph (ii) of this paragraph that an individual is believed to be deceased, the plaintiff may join the individual as a defendant, and may also join "the testate and intestate successors of _____ (naming the individual), believed to be deceased, and all persons claiming by, through, or under the individual believed to be deceased".

§14–837.

When an owner cannot be ascertained as provided in § 14-836 of this subtitle, the unknown owner of the property may be included as a defendant by the following designation: "Unknown owner of property ..... (giving a description of the property in substantially the same form as the description that appears on the Collector's certificate of tax sale), the unknown owner's heirs, devisees, and personal representatives and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest," and the unknown owner shall be so designated throughout the proceeding, and the cause shall proceed against the unknown owner by publication under order of the court as provided in this subtitle.

§14–838.

Every complaint to foreclose the right of redemption filed against an unknown owner as described in § 14-837 of this subtitle shall have attached to it an affidavit by the person making the search that the owner of the property or a part of the property is unknown, although a complete search of the records performed in accordance with generally accepted standards of title examination for at least 40 years immediately before the institution of the suit has been made.

§14–839.

(a) (1) The plaintiff shall show in the title of the complaint the last address known to the plaintiff or to the attorney filing the complaint of each defendant, as obtained from:

(i) any records examined as part of the title examination;

(ii) the tax rolls of the collector who made the sale, as to the property described in the complaint; and

(iii) any other address that is known to the plaintiff or the attorney filing the complaint.

(2) Paragraph (1) of this subsection does not require the plaintiff or the attorney for the plaintiff to make any investigations or to search any other records or sources of information other than those stated.

(3) On the filing of the complaint, the court shall issue a summons to procure the answer and appearance of all the defendants as in other civil actions.

(4) This paragraph does not apply if a last known address for a defendant is not obtained as provided under paragraphs (1) and (2) of this subsection. The plaintiff shall cause a copy of the order of publication to be mailed by first class mail or certified mail, postage prepaid, to each defendant at the defendant's address as determined by the provisions of paragraphs (1) and (2) of this subsection. As to any defendant not served by summons or as provided by paragraph (5) of this subsection, the plaintiff shall file an affidavit in the proceedings, which affidavit:

(i) shall certify that this provision has been complied with; and

(ii) shall be accompanied by:

1. the receipt obtained from the post office for the mailing; or

2. the certified mail receipt.

(5) Notice to a defendant may be made in any other manner that results in actual notice of the pendency of the action to the defendant. When notice is made under this paragraph it shall be certified to by an affidavit that fairly describes the method and time of service.

(6) A final judgment may not be entered before the last of:

(i) where actual service is made on the defendant, the passage of the time specified in the summons issued by the court;

(ii) the actual time specified in the order of publication; or

(iii) 33 days after the date of mailing the copy of the order of publication under paragraph (4) of this subsection.

(b) The provisions of this section as to notice to persons who may have an interest in property sold for nonpayment of taxes, coupled with the order of publication and the other publicity and notices as ordinarily accompanies the sale of such property, as well as the knowledge of the taxes and the consequences for nonpayment of the taxes is declared:

(1) to be reasonable and sufficient under all of the circumstances involved, and necessary in light of the compelling need for the prompt collection of taxes; and

(2) to supersede any other requirement in other cases or civil causes generally.

(c) Notice of the institution of a proceeding to foreclose the right of redemption also shall be given to the collector where the property is located.

§14–840.

At the same time the summons is issued as provided by § 14-839 of this subtitle, the court shall pass an order of publication directed to all defendants, naming them as provided by this subtitle. The property shall be described in the order of publication as the property is described on the collector's certificate of tax sale. The order of publication shall warn any person that has or claims to have an interest in the property to answer the complaint or to redeem the property on or before the date named in the order of publication and in case of failure to appear, answer, or redeem the property a judgment will be entered that forecloses all rights of redemption in the property. The date named may not be less than 60 days from the date of the order. When the order of publication is issued and published, any person that has any right, title, interest, claim, lien, or equity of redemption in the property is bound by the judgment of the court that may be passed in the case as if the person were personally served with process. The order of publication shall be in substantially the following form:

Order of Publication

"The object of this proceeding is to secure the foreclosure of all rights of redemption in the following property .... in the ...., sold by the Collector of Taxes for the .... of .... and the State of Maryland to the plaintiff in this proceeding:

(Here insert description of property in substantially the same form as the description appearing on the Collector's certificate of tax sale.)

The complaint states, among other things, that the amounts necessary for redemption have not been paid.

It is thereupon this .... day of ...., 20.., by the Circuit Court for ...., Ordered, That notice be given by the insertion of a copy of this order in some newspaper having a general circulation in .... once a week for 3 successive weeks, warning all persons interested in the property to appear in this Court by the .... day of ...., 20.., and redeem the property .... and answer the complaint or thereafter a final judgment will be entered foreclosing all rights of redemption in the property, and vesting in the plaintiff a title, free and clear of all encumbrances.".

§14–842.

In any proceeding to foreclose the right of redemption, it is not necessary to plead or prove the various steps, procedure and notices for the assessment and imposition of the taxes for which the property was sold or the proceedings taken by the collector to sell the property. The validity of the procedure is conclusively presumed unless a defendant in the proceeding shall, by answer, set up as a defense the invalidity of the taxes or the invalidity of the proceedings to sell or the invalidity of the sale. A defendant alleging any jurisdictional defect or invalidity in the taxes or in the proceeding to sell, or in the sale, must particularly specify in the answer the jurisdictional defect or invalidity and must affirmatively establish the defense.

§14–843.

(a) (1) Except as provided in subsection (b) of this section, on redemption, the plaintiff or the holder of a certificate of sale may be reimbursed for expenses incurred in any action or in preparation for any action to foreclose the right of redemption as provided in this section.

(2) The plaintiff or holder of a certificate of sale is not entitled to be reimbursed for any other expenses or attorney's fees that are not included in this section.

(3) (i) The collector shall make at least one attempt by phone and e–mail to contact a holder of a certificate of sale after the collector is informed that the plaintiff or the holder of the certificate of sale has failed to respond to a request for the amount of expenses included in the redemption amount authorized under this section that is made by the:

1. owner of the property;

2. current mortgagee of the property, assignee of a mortgagee of record, or servicer of the current mortgage; or

3. current holder of a beneficial interest in a deed of trust recorded against the property.

(ii) If the plaintiff or holder of the certificate of sale fails to respond within 5 business days after the collector's attempts to make contact in accordance with subparagraph (i) of this paragraph, the collector may redeem the property without a satisfaction letter stating that the expenses of the plaintiff or the holder of a certificate of sale have been paid.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, if an action to foreclose the right of redemption has not been filed, and the property

is redeemed more than 4 months after the date of the tax sale, the holder of a certificate of sale may be reimbursed for the following expenses actually incurred:

1. costs for recording the certificate of sale;

2. a title search fee, not to exceed $250;

3. the postage and certified mailing costs for the notices required under § 14–833(a–1) of this subtitle; and

4. reasonable attorney's fees, not to exceed $500.

(ii) For owner–occupied residential property, if an action to foreclose the right of redemption has not been filed, and the property is redeemed more than 7 months after the date of the tax sale, the holder of a certificate of sale may be reimbursed for the following expenses actually incurred:

1. costs for recording the certificate of sale;

2. a title search fee, not to exceed $250;

3. the postage and certified mailing costs for the notices required under § 14–833(a–1) of this subtitle; and

4. reasonable attorney's fees, not to exceed $500.

(5) If an action to foreclose the right of redemption has been filed, the plaintiff or holder of a certificate of sale may be reimbursed for:

(i) attorney's fees in the amount of:

1. $1,300 if an affidavit of compliance has not been filed, which amount shall be deemed reasonable for both the preparation and filing of the action to foreclose the right of redemption; or

2. $1,500 if an affidavit of compliance has been filed, which amount shall be deemed reasonable for both the preparation and filing of the action to foreclose the right of redemption;

(ii) reasonable attorney's fees, not to exceed $1,200, incurred by the plaintiff or holder of a certificate of sale for opening an estate for purposes of service of process and notice on a defendant's estate;

(iii) in exceptional circumstances, other reasonable attorney's fees incurred and specifically requested by the plaintiff or holder of a certificate of sale and approved by the court, on a case by case basis; and

(iv) if the plaintiff or holder of a certificate of sale provides a signed affidavit attesting to the fact that the expenses were actually incurred, the following expenses actually incurred by the plaintiff or holder of a certificate of sale:

1. filing fee charged by the circuit court for the county in which the property is located;

2. service of process fee, including fees incurred attempting to serve process;

3. a title search fee, not to exceed $250;

4. if a second title search is conducted more than 6 months after the initial title search, a title search update fee, not to exceed $75;

5. publication fee charged by a newspaper of general circulation in the county in which the property is located;

6. posting fee;

7. postage and certified mail;

8. substantial repair order fee, not to exceed the fee charged by the government agency issuing the certificate of substantial repair;

9. expenses and costs incurred for opening an estate of a deceased defendant for purposes of service of process and notice, not to exceed $1,200; and

10. any court approved expense for stabilization or conversion of the property under § 14–830 of this subtitle or in accordance with an action taken against the property by the county in which the property is located in accordance with the applicable building, fire, health, or safety codes.

(6) In addition to the expenses and attorney's fees under paragraph (4) or (5) of this subsection, the plaintiff or holder of a certificate of sale may be reimbursed for:

(i) taxes paid at the tax sale, together with redemption interest, arising after the date of sale to the date of redemption;

(ii) the high bid premium paid at the tax sale, if applicable; and

(iii) in Baltimore City only, taxes, interest, and penalties paid in accordance with subsection (c) of this section and interest at the rate of redemption provided in § 14–820 of this subtitle from the date of payment to the date of redemption.

(b) (1) (i) Except as provided in subparagraph (ii) of this paragraph and paragraph (2) of this subsection, in Allegany County, Anne Arundel County, Baltimore City, Baltimore County, Calvert County, Caroline County, Carroll County, Cecil County, Charles County, Dorchester County, Frederick County, Garrett County, Harford County, Howard County, Kent County, Montgomery County, Prince George's County, Queen Anne's County, St. Mary's County, Somerset County, Washington County, Wicomico County, and Worcester County, the plaintiff or holder of a certificate of sale may not be reimbursed for expenses incurred within 4 months after the date of sale.

(ii) For owner–occupied residential property, the plaintiff or holder of a certificate of sale may not be reimbursed for expenses incurred within 7 months after the date of sale.

(2) This subsection does not apply to property for which the holder:

(i) may file a complaint any time after 60 days from the date of sale, pursuant to § 14–833(e) of this subtitle; or

(ii) must file a complaint within 3 months from the date of sale, pursuant to § 14–833(c)(2) of this subtitle.

(c) In Baltimore City, on or after October 1 of each year, the plaintiff or holder of a certificate of sale may pay taxes, interest, and penalties that become due after the date of the sale on the property described in the tax sale certificate and that have not been paid by the owner of the property.

(d) The Mayor and City Council of Baltimore City may establish, by law, a process by which an owner of owner–occupied residential property sold at tax sale in accordance with this subtitle may redeem the property through an installment payment plan.

§14–844.

(a) After the time limit set in the order of publication and in the summons expires, the court shall enter judgment foreclosing the right of redemption. An interlocutory order is not necessary. The judgment is final and conclusive on the defendants, their heirs, devisees, and personal representatives and they or any of their heirs, devisees, executors, administrators, assigns, or successors in right, title, or interest, and all defendants are bound by the judgment as if they had been named in the proceedings and personally served with process.

(b) If the court finds for the plaintiff, the judgment vests in the plaintiff an absolute and indefeasible title in fee simple in the property, free and clear of all alienations and descents of the property occurring before the date of the judgment and encumbrances on the property, except taxes that accrue after the date of sale and easements of record and any other easement that may be observed by an inspection of the property to which the property is subject.

(c) If the collector sold the property subject to a ground rent or the plaintiff elected not to include the ground rent holder as a party, the judgment vests a leasehold interest in the plaintiff.

(d) (1) Once a judgment is granted, the plaintiff immediately becomes liable for the payment of all taxes due and payable after the judgment. The plaintiff may be sued in an action under § 14–864 of this subtitle to collect all taxes due and payable after the judgment and it is not a defense that a deed to the property has not been recorded. On the entry of judgment, the plaintiff shall pay the collector any surplus bid and all taxes together with interest and penalties on the taxes due on the property.

(2) (i) Once a judgment is granted, the plaintiff immediately becomes liable from the date of judgment for the payment of assessments or fees charged by a homeowners association or a condominium association due and payable from the date of the judgment.

(ii) The plaintiff may be sued in an action to collect all assessments or fees charged by a homeowners association or a condominium association due and payable from the date of the judgment, and it is not a defense that a deed to the property has not been recorded.

(e) In Baltimore City where abandoned property has been sold for a sum less than the amount due under § 14–817 of this subtitle, in a foreclosure proceeding brought by the Mayor and City Council, the final order may include a judgment in favor of the city and against the person liable for taxes prior to the sale, in the amount of the unpaid taxes, interest, penalties, and expenses otherwise due in a tax sale.

(f) In Baltimore City, for a proceeding concerning an owner–occupied residential property, if the court finds for the plaintiff, the final judgment shall state whether there is a bid balance as a result of the tax sale and that the former owner's portion of the bid balance may be obtained by contacting the Baltimore City Bureau of Revenue Collections.

§14–845.

(a) A court in the State may not reopen a judgment rendered in a tax sale foreclosure proceeding except on the ground of lack of jurisdiction or fraud in the conduct of the proceedings to foreclose; however, no reopening of any judgment on the ground of constructive fraud in the conduct of the proceedings to foreclose shall be entertained by any court unless an application to reopen a judgment rendered is filed within 1 year from the date of the judgment.

(b) If the judgment of the court foreclosing all rights of redemption is set aside, the amount required to redeem is the amount required by this subtitle, and in addition, the reasonable value, at the date the judgment is set aside, of all improvements made on the property and all costs incurred with respect to development of the property by the purchaser and the purchaser's successors in interest.

(c) In Baltimore City, with respect to abandoned property that is subject to § 14-817(c) of this subtitle:

(1) a defendant or any person described in § 14-836(b)(1) or (4)(i) of this subtitle may file an action to recover damages on the ground of inadequate notice within 3 years after the date of judgment foreclosing rights of redemption;

(2) damages in an action under item (1) of this subsection may not exceed the fair market value of that person's interest in the property at the time of the sale; and

(3) a person may not file to reopen a judgment foreclosing rights of redemption based on inadequate notice.

(d) A court in the State may not reopen a judgment rendered in a foreclosure proceeding instituted by the Mayor and City Council of Baltimore City under former Article 81, §§ 117 through 121 of the Code unless an application to reopen the judgment is filed on or before June 30, 1987. After June 30, 1987, any judgment rendered under former Article 81, §§ 117 through 121 of the Code shall be deemed conclusively to have been ratified by all persons who might otherwise have grounds to object to the judgment.

§14–846.

When a complaint to foreclose the right of redemption, as provided in this subtitle, is filed, and the plaintiff has described or does describe the property in the complaint in a manner other than that contained in the certificate of sale, any judgment entered barring the defendant's right to redeem bars the defendant's interest in the property described in the judgment, and that property only, provided the description in the judgment, the description in the complaint, and the description in the certificate of sale are intended to describe the same property.

§14–847.

(a) (1) (i) Except as provided in paragraph (2) of this subsection, the judgment of the court shall direct the collector to execute a deed to the holder of the certificate of sale in fee simple or in leasehold, as appropriate, on payment to the collector of the balance of the purchase price, due on account of the purchase price of the property, together with all taxes and interest and penalties on the property that accrue after the date of sale.

(ii) The judgment shall direct the supervisor to enroll the holder of the certificate of sale in fee simple or in leasehold, as appropriate, as the owner of the property.

(2) In Frederick County, if the collector is absent, the deed may be executed by a deputy collector designated by the collector.

(b) The deed shall be prepared by the holder of the certificate of sale or the attorney for the holder of the certificate of sale and all expenses incident to the preparation and execution of the deed shall be paid by the holder of the certificate of sale.

(c) The clerk of the court in which the suit is instituted shall issue a certified copy of the judgment of the court to the collector and supervisor and the collector is not obligated to execute the deed provided for in this section until that certified copy of the judgment is delivered to the collector.

(d) (1) If the holder of the certificate of sale does not comply with the terms of the final judgment of the court within 90 days as to payments to the collector of the balance of the purchase price due on account of the purchase price of the property and of all taxes, interest, and penalties that accrue after the date of sale, that judgment may be stricken by the court on the motion of an interested party for good cause shown.

(2) In Baltimore City, a certificate holder who has been enrolled as the owner of the property under subsection (a) of this section is not an interested party within the meaning of this subsection.

(3) If the holder of the certificate of sale does not comply with the terms of the final judgment of the court within 105 days as to payments to the collector of the balance of the purchase price due on account of the purchase price of the property and of all taxes, interest, and penalties that accrue after the date of sale, and no motion has been filed under paragraph (1) of this subsection, the court may, on motion of the governing body of the county or municipal corporation in which the property is located, for good cause shown, enter a judgment:

(i) striking the final judgment of the court;

(ii) directing the collector to execute a deed prepared by the governing body of the county or municipal corporation in fee simple, on payment to the collector of the balance of the purchase price due on account of the purchase price of the property and of all taxes, interest, and penalties that accrue after the date of sale; and

(iii) vesting title to the property in the governing body of the county or municipal corporation in fee simple, free and clear of all alienations and descents of the property occurring before the date of the final judgment and encumbrances on the property, except any taxes that accrue after the date of sale and easements of record and any other easement that may be observed by an inspection of the property to which the property is subject.

(4) If a holder of a certificate of sale submits a deed under subsection (b) of this section for the property to the governing body of the county or municipal corporation before a judgment under paragraph (1) or (3) of this subsection is entered, the motion under paragraph (1) or (3) of this subsection shall be denied as moot.

§14–848.

If the judgment of the court declares the sale void and sets it aside, the collector shall repay the holder of the certificate of sale the amount paid to the collector on account of the purchase price of the property sold, with interest at the rate provided in the certificate of tax sale, together with all taxes that accrue after the date of sale, which were paid by the holder of the certificate of sale or the predecessor of the holder of the certificate of sale, and all expenses properly incurred in accordance with this subtitle. If the collector paid the claims of any other taxing agency, the collector is entitled to a refund of the claim from the taxing agency with interest. The collector shall proceed to a new sale of the property under this subtitle and shall include in the

new sale all taxes that were included in the void sale, and all unpaid taxes that accrued after the date of sale declared void.

§14–849.

(a) Notwithstanding any law to the contrary, in Baltimore City, the Mayor and City Council may not sell a taxpayer's property for failure by the taxpayer to pay an alley assessment charge.

(b) Except as provided in subsection (c) of this section, this section does not affect any other right or remedy of the City for the collection of an alley assessment charge.

(c) Baltimore City may not acquire owner-occupied residential property by means of execution of a judgment for failure by the owner, upon whom the alley assessment charge was originally made, to pay the alley assessment charge.

§14–849.1.

(a) In Baltimore City, the Mayor and City Council may not sell a property to enforce a lien for unpaid charges for water and sewer service unless:

(1) the lien is for at least $350;

(2) the property is not:

(i) a residential property; or

(ii) real property that is exempt from taxation under § 7–204(1) or (2) of this article; and

(3) the unpaid charges for water and sewer service are at least 3 quarters in arrears.

(b) Notwithstanding subsection (a) of this section, the Mayor and City Council may enforce a lien on a property other than residential property or real property that is exempt from taxation under § 7–204(1) or (2) of this article for unpaid water and sewer service that is less than $350 if the property is being sold to enforce another lien.

(c) This section does not affect any other right or remedy of Baltimore City for the collection of a water and sewer service charge.

§14–850.

Any person who acquires a deed to property under this subtitle is entitled to issuance of a writ for possession of the property under the Maryland Rules as if the person had obtained a judgment awarding possession of the property.

§14–851.

Any act, whether public general or public local, inconsistent with the provisions of Parts I through III of this subtitle, is repealed to the extent of the inconsistency; but all laws repealed by this subtitle shall nevertheless remain in force in respect to any tax sale made or instituted before December 31, 1943. Any tax sales made or instituted after December 31, 1943, shall be made only in accordance with the provisions of Parts I through III of this subtitle. However, all laws repealed by this subtitle shall nevertheless remain in force with respect to any tax sales made or instituted in Allegany County on or before July 1, 1984. Any tax sales made or instituted after July 1, 1984 in Allegany County shall be made only as provided under this subtitle.

§14–852.

When land is sold to pay county or State taxes, or both, assessed on the land and in default, and the owner of the land at the time of the tax sale, the owner's heirs, devisees, or assigns, severally, jointly or in continuous successive ownership have held the land sold in adverse possession for 7 years after the final ratification of the tax sale and before action or suit is brought, and prosecuted by the purchaser at the tax sale, the purchaser's heirs, devisees, or assigns to obtain possession of the land, the possession is a bar to all right, title, claim, interest, estate, demand, right of entry, and right of action of the purchaser or the purchaser's heirs, devisees, or assigns derived from the tax sale as to the land held in possession. This section applies to all tax sales except for tax sales made and ratified on or before the 1st day of May, in the year 1900, its operation and effect is suspended for 1 year from the 1st day of May, in the year 1906.

§14–853.

If property is taken in execution in a suit by the State to recover taxes, in order to protect the interest of the State the Comptroller may purchase the property for State use if the purchase price does not exceed the amount of the State's demand and the cost and expenses of the sale.

§14–854.

Property on which property tax is computed under §§ 10-103, 10-104, 10-105, 10-304, and 10-305 of this article may be sold for taxes only:

(1) during a succeeding year; and

(2) in accordance with the laws of the jurisdiction where the property is located.

§14–864.

On or before 7 years from the date the tax is due, the State, a county, or a municipal corporation may initiate an action in a court of appropriate jurisdiction to collect any tax imposed under this article and within the time provided by law. If a person owes State and county or municipal corporation taxes to the same collector, the action may combine claims of the State, county, and municipal corporation.

§14–865.

(a) Except as otherwise provided in subsection (b) of this section:

(1) if a tax under this article is not paid when due to the State, the Governor, the Comptroller, or the Treasurer shall request the Attorney General to institute an action against the person responsible for the tax; and

(2) if a tax under this article is not paid when due to a county or municipal corporation, the collector shall request the attorney for the county or municipal corporation to institute an action against the person responsible for the tax.

(b) An officer of the State, a county, or a municipal corporation is not required to request the action under subsection (a) of this section if:

(1) the taxes are sufficiently secured by a lien on real property under this title; or

(2) it is certain that no part of a judgment in the action would be collectible.

§14–866.

(a) If a request is made under § 14-865 of this subtitle, the Attorney General or attorney requested to initiate an action shall initiate the action.

(b) If the Attorney General and the Treasurer, or the collector, the chief fiscal officer, and the attorney of the county or municipal corporation agree that the

full amount of the claim would be uncollectible, the Attorney General or attorney may:

(1) compromise the claim;

(2) accept a lesser amount on behalf of the collector or State Treasurer; and

(3) issue a release of the claim or satisfaction of the judgment.

§14–867.

(a) (1) An action under § 14-866 of this subtitle may be commenced by a writ of attachment against any asset of the defendant.

(2) Except as otherwise provided in this article, the attachment shall be governed in all respects by the law and Maryland Rules applicable to attachments for liquidated damages against nonresidents.

(b) The plaintiff in the action under subsection (a) of this section is not required to file an attachment bond.

§14–868.

The plaintiff named in an action under § 14-866 of this subtitle shall be:

(1) for an action to collect State tax:

(i) the State; or

(ii) the Treasurer, or other State officer who is authorized by law to collect the tax;

(2) for an action to collect county tax:

(i) the Mayor and City Council of Baltimore City or the governing body of the county; or

(ii) the county collector with a designation of authority;

(3) for an action to collect municipal corporation property tax:

(i) the governing body of the municipal corporation; or

(ii) the municipal corporation collector with a designation of authority; or

(4) for an action to collect more than 1 tax from the same person, the collector or other officer who is authorized to collect the taxes.

§14–869.

(a) If the plaintiff in an action under § 14–866 of this subtitle requests, the case shall be brought to trial as soon as the case is at issue, and shall have precedence over all other civil cases.

(b) (1) In an action under § 14–866 of this subtitle the certificate of the Comptroller or of the collector of any county or municipal corporation showing the amount of tax due with all penalties and interest:

(i) is prima facie evidence to entitle the plaintiff to judgment for the amount of the tax, penalty, and interest; and

(ii) shall give the defendant the burden of proving that the tax has been paid or any other sufficient defense.

(2) This section does not permit the defendant to use a defense that the defendant might have raised by way of appeal from the assessment on which the tax was imposed.

§14–870.

A penalty assessed against a person under § 14-704 of this title shall be added to any State tax that is assessed by the Department against the person. The Comptroller may collect the penalty from the person in the same manner as taxes are collected under this subtitle.

§14–873.

(a) In this part the following words have the meanings indicated.

(b) "Interested party" means:

(1) the person who last appears as owner of the real property on the collector's tax roll;

(2) a mortgagee of the property or assignee of a mortgage of record;

(3) a holder of a beneficial interest in a deed of trust recorded against the real property;

(4) a taxing agency that has the authority to collect tax on the real property; or

(5) any person having an interest in the real property whose identity and address are:

(i) reasonably ascertainable from the county land records; or

(ii) revealed by a full title search consisting of at least 50 years.

(c) "Tax" has the meaning stated in § 14–801 of this subtitle.

§14–874.

(a) Real property may be subject to foreclosure and sale under this part only if:

(1) the property consists of a vacant lot or improved property cited as vacant and unsafe or unfit for habitation or other authorized use on a housing or building violation notice; and

(2) the total amount of liens for unpaid taxes on the property exceeds the lesser of the total value of the property as last determined by the Department or as determined by an appraisal report prepared not more than 6 months before the filing of a complaint under this section by a real estate appraiser who is licensed under Title 16 of the Business Occupations and Professions Article.

(b) (1) A county or municipal corporation may authorize by law an in rem foreclosure in accordance with this part.

(2) A law that authorizes an in rem foreclosure shall:

(i) state the date after which real property may be subject to in rem foreclosure under this part;

(ii) establish criteria for designating real property to be foreclosed under this part;

(iii) authorize the county or municipal corporation to file a complaint for an in rem foreclosure under this part; and

(iv) include administrative rules and procedures necessary to carry out an in rem foreclosure under this part.

(c) (1) Subject to subsection (d) of this section, a county or municipal corporation may authorize, by law, the sale of real property after an in rem foreclosure and designate real property to be sold under this part.

(2) A law that authorizes a sale of real property after an in rem foreclosure shall:

(i) state the date after which the real property may be subject to sale after an in rem foreclosure under this part;

(ii) establish criteria for designating real property to be sold under this part; and

(iii) include administrative rules and procedures necessary to carry out a sale under this part.

(d) Only real property that consists of a vacant lot or improved property cited as vacant and unsafe or unfit for habitation or other authorized use on a housing or building violation notice may be sold under this part.

§14–875.

(a) A county or municipal corporation may file a complaint for an in rem foreclosure action in accordance with this part.

(b) The county or municipal corporation may not file a complaint for an in rem foreclosure action unless:

(1) the tax on the real property has been delinquent for at least 6 months; and

(2) the right to appeal the notice of the property as vacant and unsafe or unfit has tolled.

(c) All taxes shall:

(1) be included in the foreclosure action; and

(2) cease to be a lien against the real property if a judgment is entered foreclosing the existing interests of all interested parties in the real property.

(d) The county or municipal corporation shall:

(1) file the complaint for an in rem foreclosure in the circuit court of the county where the real property is located; and

(2) within 5 days after filing the complaint, send notice and a copy of the complaint to each interested party by first–class mail and certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service.

(e) The complaint for an in rem foreclosure shall include:

(1) the identity of the county or municipal corporation on behalf of which the complaint is filed;

(2) the name and address of the county or municipal corporation;

(3) a description of the real property as it appears in the county land records;

(4) the tax identification number of the real property;

(5) a statement that the taxes are delinquent at the time of the filing;

(6) the amount of taxes that are delinquent as of the date of filing;

(7) the names and last known addresses of all interested parties in the real property and, if applicable, a statement that the address of a particular interested party in the real property is unknown;

(8) a statement that the real property is a vacant lot or improved property cited as vacant and unsafe or unfit for habitation or other authorized use on a housing or building violation notice;

(9) copies of any violation notice cited under paragraph (8) of this subsection;

(10) a request that the circuit court not schedule a hearing on the complaint until 30 days after the date that the complaint is filed; and

(11) a request that the circuit court enter a judgment that forecloses the existing interests of all interested parties in the real property and orders ownership of the real property to be transferred to the county or municipal corporation.

(f) A complaint for an in rem foreclosure may be amended to include all taxes that become delinquent after the commencement of the in rem foreclosure action.

(g) (1) Subject to paragraph (2) of this subsection, an interested party has the right to cure the delinquent taxes and liens on the real property by paying all past due fees, payments, and penalties at any time before the entry of the foreclosure judgment.

(2) The right to cure the delinquent taxes and liens on the real property extinguishes once the foreclosure judgment is entered.

§14–876.

(a) A circuit court may not set a hearing for an in rem foreclosure until 30 days after the complaint for an in rem foreclosure is filed.

(b) At the hearing, any interested party shall have the right to be heard and to contest the delinquency of the taxes and the adequacy of the proceedings.

(c) If the circuit court finds that the county or municipal corporation sent notice and a copy of the complaint to each interested party in accordance with § 14–875(d) of this subtitle and that the information set forth in the complaint is accurate, the court shall:

(1) enter a judgment that:

(i) proper notice has been provided to all interested parties; and

(ii) the real property is a vacant lot or an improved property cited as vacant and unsafe or unfit for habitation or other authorized use on a housing or building violation notice; and

(2) order that ownership of the real property be transferred to the county or municipal corporation on behalf of which the complaint was filed.

(d) (1) The county or municipal corporation shall record a judgment under subsection (c) of this section in the land records of the county.

(2) The title acquired in an in rem foreclosure proceeding shall be an absolute or fee simple title including the right, title, and interest of each of the

defendants in the proceeding whose property has been foreclosed unless a different title is specified in the judgment entered.

(3) A judgment in an action under this part is binding and conclusive, regardless of legal disability, on:

(i) all persons, known and unknown, who were parties to the action and who had a claim to the property, whether present or future, vested or contingent, legal or equitable, or several or undivided; and

(ii) all persons who were not parties to the action and had a claim to the property that was not recorded at the time that the action was commenced.

§14–879.

(a) (1) The Department shall conduct an annual survey of each county that conducts a tax sale under Part III of this subtitle to obtain the information specified in this section.

(2) Each county shall provide the Department all the information specified in this section on the form that the Department provides.

(3) The Department may not disburse or authorize the disbursement of any funds to a county under this article if the county has not provided all the information specified in this section.

(b) (1) The Department shall obtain the data specified in paragraph (2) of this subsection concerning the following categories of properties subject to sale under Part III of this subtitle:

(i) properties that are advertised for sale in the first notice required to be published under § 14–813 of this subtitle;

(ii) properties offered for sale;

(iii) properties offered for sale that are subject to liens for water or sewer services only;

(iv) properties offered for sale that are sold;

(v) properties for which there is no private purchaser and the county obtains the tax sale certificate in accordance with § 14–824 of this subtitle;

(vi) properties that are redeemed before foreclosure;

(vii) properties that are subject to foreclosure by the county; and

(viii) properties for which the right of redemption has been foreclosed by a private holder of a tax sale certificate.

(2) For each of the categories of properties specified in paragraph (1) of this subsection, the Department shall obtain the following data for the second immediately preceding taxable year:

(i) the total number of properties;

(ii) the total lien amount for all properties;

(iii) the average lien amount for all properties; and

(iv) for each of the data categories specified in items (i) through (iii) of this paragraph, disaggregated data for properties that are owned by a homeowner as defined in § 9–105 of this article.

(c) The Department shall obtain the following information concerning each county's tax sale process for the second immediately preceding taxable year:

(1) each type of charge that the county collects through its tax sale process, including property taxes, water and sewer charges, environmental charges, and any other local government charges;

(2) the length of time the tax on a property is required to be overdue before the county begins the process to sell the property under Part III of this subtitle;

(3) how frequently the county conducts a tax sale and the time of year when the tax sale occurs;

(4) whether the county conducts tax sales on behalf of municipal corporations in the county and, if applicable, which municipal corporations;

(5) the rate of interest the county charges on overdue property taxes under § 14–603 of this title;

(6) the rate of redemption interest a property owner is required to pay to redeem a property after a tax sale under § 14–820 of this subtitle;

(7) the minimum threshold amount of unpaid taxes on a residential property that will cause the county to put the property in tax sale under § 14–811(b) of this subtitle;

(8) regarding bid balance money in excess of the amount required for the payment of taxes, interest, penalties, and costs of the sale of a property:

(i) the total aggregate amount of all bid balance money held by the county in a special fund pending distribution to property owners under § 14–819(a) of this subtitle;

(ii) the total aggregate amount of bid balance money distributed to property owners under § 14–819(a) of this subtitle; and

(iii) the total aggregate amount of bid balance money transferred to the county under § 14–819(b) and (c) of this subtitle;

(9) whether the county has established a County Tax Sale Ombudsman under § 2–112(e) of this article; and

(10) a copy of the separate insert required to be mailed to property owners under § 14–812(b) of this subtitle.

(d) The Department shall obtain:

(1) the number of counties and municipal corporations that have withheld from sale under § 14–811(e) of this subtitle a dwelling owned by a homeowner who is low–income, at least 65 years old, or disabled;

(2) the eligibility criteria used by each county and municipal corporation to withhold a dwelling from sale under § 14–811(e) of this subtitle; and

(3) the number of dwellings withheld from sale by each county and municipal corporation under § 14–811(e) of this subtitle.

§14–880.

(a) Each year, the Department shall issue a report that includes:

(1) an analysis and summary of the information collected through the survey under § 14–879 of this subtitle; and

(2) the following information concerning the activities of the State Tax Sale Ombudsman established under § 2–112 of this article in the preceding taxable year:

(i) the number of homeowners who contacted the Ombudsman;

(ii) the number of homeowners assisted by the Ombudsman to apply for each of the tax credits under § 9–104 or § 9–105 of this article;

(iii) the number of homeowners assisted by the Ombudsman to apply for other discount programs or public benefits and a brief summary of those programs and benefits;

(iv) the number of homeowners referred by the Ombudsman to legal services, housing counseling, and other social services, and a brief summary of those services;

(v) the number of homeowners enrolled in the Homeowner Protection Program under Part VII of this subtitle;

(vi) a summary of the implementation of the Homeowner Protection Program under Part VII of this subtitle, including outreach to homeowners under § 14–886(d) of this subtitle;

(vii) any statutory or administrative changes the Ombudsman recommends to improve the administration of the Homeowner Protection Program under Part VII of this subtitle; and

(viii) any other relevant information.

(b) On or before November 15 each year, the Department shall:

(1) publish the report required under subsection (a) of this section on the Department's website; and

(2) submit the report required under subsection (a) of this section, in accordance with § 2–1257 of the State Government Article, to the Senate Budget and Taxation Committee and the House Committee on Ways and Means.

§14–883.

(a) In this part the following words have the meanings indicated.

(b) "Combined income" means the combined Maryland adjusted gross income of all individuals who actually reside in a dwelling except an individual who:

(1) is a dependent of the homeowner under § 152 of the Internal Revenue Code; or

(2) pays a reasonable amount for rent or room and board.

(c) "Dwelling" has the meaning stated in § 9–105 of this article.

(d) "Homeowner" has the meaning stated in § 9–105 of this article.

(e) "Ombudsman" means the State Tax Sale Ombudsman established under § 2–112 of this article.

(f) "Program" means the Homeowner Protection Program established under this part.

(g) "Tax" has the meaning stated in § 14–801 of this subtitle.

§14–884.

(a) There is a Homeowner Protection Program administered by the Ombudsman in the Department.

(b) The purpose of the Program is to divert vulnerable homeowners from the private tax lien sale process under Part III of this subtitle into an alternative program with the primary purpose of:

(1) minimizing tax collection costs to homeowners;

(2) assisting homeowners to pay their taxes; and

(3) allowing homeowners to remain in their homes.

§14–885.

(a) (1) To be eligible for the Program a homeowner shall:

(i) reside in a dwelling that has an assessed value of $300,000 or less; and

(ii) have a combined income of $60,000 or less.

(2) The Department may establish, by regulation, additional eligibility criteria for enrollment in the Program.

(b) The Department shall establish, by regulation, a process to:

(1) give priority for enrollment in the Program to homeowners who are:

(i) at least 60 years old; or

(ii) currently receiving disability benefits from the federal Social Security Disability Insurance program or the federal Supplemental Security Income program; and

(2) ensure that homeowners are enrolled in the Program who reside in each county in the State.

(c) On or before June 30 each year, the Department shall determine the maximum number of homeowners who may be enrolled in the Program in the next succeeding fiscal year based on the amount of funding available for the Program in the Homeowner Protection Fund established under § 14–891 of this subtitle.

(d) The number of homeowners enrolled in the Program in a fiscal year may not exceed the maximum number determined by the Department under subsection (c) of this section.

(e) County or municipal governments may not be required to pay any costs of the Program.

§14–886.

(a) A homeowner shall submit an application to the Department to be enrolled in the Program.

(b) A homeowner may submit an application for the Program online or by mail.

(c) The Ombudsman shall:

(1) prominently advertise the Program and make applications available on the Ombudsman's website; and

(2) collaborate with local governments, community organizations, and public and private providers of social services and benefits to raise awareness of the Program and disseminate applications.

(d) (1) It is the intent of the General Assembly that:

(i) at least 2% of the balance in the Homeowner Protection Fund established under § 14–891 of this subtitle be spent each year to conduct outreach to homeowners in tax sale to encourage the homeowners to enroll in the Program;

(ii) the outreach consist of:

1. live telephone calls to homeowners whenever practicable; or

2. if live telephone calls are not practicable, methods of contacting homeowners other than sending information by mail; and

(iii) priority be given to contacting homeowners as soon as possible after their dwellings are sold at tax sale.

(2) The Ombudsman may:

(i) conduct outreach to homeowners using State employees and resources; or

(ii) contract with a private vendor to conduct outreach to homeowners.

(3) At the request of the Ombudsman:

(i) promptly after each county tax sale, the collector shall provide the Ombudsman with the list of homeowners whose dwellings were sold at the tax sale;

(ii) notwithstanding § 13–202 of the Tax – General Article, the Comptroller shall provide the telephone number of a homeowner if the homeowner included the homeowner's telephone number on a tax return filed with the Comptroller; and

(iii) any other State or local government agency shall promptly provide any information required to conduct outreach under this subsection.

(4) The Ombudsman may obtain information from any reliable private source to conduct outreach under this subsection.

(e) The Ombudsman shall cancel the enrollment of a homeowner in the Program if:

(1) the homeowner submits a request to the Ombudsman to withdraw from the Program;

(2) the homeowner submitted false information in the homeowner's application for enrollment in the Program; or

(3) the Ombudsman determines that the homeowner is not acting in good faith to pay the taxes due.

(f) If the Ombudsman cancels the enrollment of a homeowner in the Program, the Ombudsman shall send a notice of the cancellation to the homeowner that includes the reasons for cancellation.

(g) A homeowner's enrollment in the Program ends on the earliest of:

(1) the date the homeowner pays the full amount of the taxes owed to the Department;

(2) the date that is 3 years after the date the homeowner first enrolled in the Program; or

(3) the date the homeowner's enrollment in the Program is canceled under subsection (e) of this section.

§14–887.

(a) If a homeowner is first enrolled in the Program before the lien on the homeowner's dwelling is sold at tax sale:

(1) the Department shall pay the county or municipal corporation the full amount of the tax lien and assume exclusive responsibility for collecting the outstanding tax debt; and

(2) the county or municipal corporation shall withhold the dwelling from the next tax sale.

(b) If a homeowner is first enrolled in the Program after the lien on the homeowner's dwelling is sold at tax sale, the Department shall pay the holder of the

tax sale certificate the full amount required to redeem the certificate, including interest and expenses of the certificate holder, and assume exclusive responsibility for collecting the outstanding tax debt.

(c) After a homeowner is enrolled in the Program:

(1) the Department shall pay the county or municipal corporation the full amount of any tax lien that subsequently becomes due on the dwelling during the entire period that the homeowner is enrolled in the Program and assume exclusive responsibility for collecting the outstanding tax debt; and

(2) the county or municipal corporation shall withhold the dwelling from tax sale during the entire period that the homeowner is enrolled in the Program.

(d) After the Department purchases a tax lien on the dwelling of a homeowner under this section, the homeowner's outstanding tax debt:

(1) is owed to the Department; and

(2) is not owed to any other person.

(e) If a homeowner's enrollment in the Program is canceled under § 14–886(d) of this subtitle, the Department shall retain a lien on the homeowner's dwelling for the taxes owed to the Department but may not initiate any collection efforts or otherwise act to enforce the lien until ownership of the dwelling is transferred.

§14–888.

(a) For each homeowner enrolled in the Program, the Ombudsman shall make intensive efforts to:

(1) determine why the homeowner has not paid the taxes due; and

(2) provide appropriate assistance to help the homeowner pay the taxes due and retain the dwelling.

(b) The Ombudsman shall communicate with each homeowner enrolled in the Program through whatever method is most effective, which may include:

(1) easy–to–understand mailings;

(2) phone calls;

(3) notices posted on the dwelling; and

(4) when necessary or appropriate, an in–person visit.

(c) The Ombudsman may assist a homeowner enrolled in the Program by:

(1) helping the homeowner to apply for existing tax credits and public and private programs and benefits; or

(2) entering into an installment payment plan with the homeowner to pay the taxes due.

(d) The Ombudsman may forgive all or part of the tax debt owed to the Department by a homeowner enrolled in the Program who faces particular hardship or has a special need.

§14–889.

(a) (1) The Department may charge interest on unpaid taxes owed to the Department at a rate not exceeding 6%.

(2) The Ombudsman may set a lower interest rate or waive interest entirely at the Ombudsman's discretion.

(b) Other than the interest specified in subsection (a) of this section, the Department may not impose any fees or costs on a homeowner in addition to the taxes owed.

§14–890.

(a) In this section, "interested party" means:

(1) the person who last appears as owner of the dwelling on the collector's tax roll;

(2) a mortgagee of the dwelling or assignee of a mortgage of record;

(3) a holder of a beneficial interest in a deed of trust recorded against the dwelling;

(4) a taxing agency that has the authority to collect tax on the dwelling; or

(5) any person having an interest in the dwelling whose identity and address are:

(i) reasonably ascertainable from the county land records; or

(ii) revealed by a full title search consisting of at least 50 years.

(b) The Department may conduct an in rem foreclosure and sale of a dwelling of a homeowner formerly enrolled in the Program in accordance with this section.

(c) The Department may foreclose on and sell a dwelling of a homeowner formerly enrolled in the Program only if:

(1) at least 3 years have elapsed since the homeowner first enrolled in the Program; and

(2) all reasonable efforts to assist the homeowner to pay the taxes owed to the Department have failed.

(d) To initiate an in rem foreclosure action the Department shall:

(1) file a complaint for an in rem foreclosure in the circuit court of the county where the dwelling is located; and

(2) within 5 days after filing the complaint, send notice and a copy of the complaint to each interested party by first–class mail and certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service.

(e) All taxes shall:

(1) be included in the foreclosure action; and

(2) cease to be a lien against the dwelling if a judgment is entered foreclosing the existing interests of all interested parties in the dwelling.

(f) The complaint for an in rem foreclosure shall include:

(1) the name and address of the Department;

(2) a description of the dwelling as it appears in the county land records;

(3) the tax identification number of the dwelling;

(4) a statement that the taxes are delinquent at the time of the filing;

(5) the amount of taxes that are delinquent as of the date of the filing;

(6) the names and last known addresses of all interested parties in the dwelling and, if applicable, a statement that the address of a particular interested party in the dwelling is unknown; and

(7) a request that the circuit court enter a judgment that forecloses the existing interests of all interested parties in the dwelling and orders the dwelling to be sold at public auction.

(g) A complaint for an in rem foreclosure may be amended to include all taxes that become delinquent after the commencement of the in rem foreclosure action.

(h) (1) Subject to paragraph (2) of this subsection, an interested party has the right to cure the delinquent taxes on the dwelling by paying all past due taxes at any time before the entry of the foreclosure judgment.

(2) The right to cure the delinquent taxes on the dwelling is extinguished once the foreclosure judgment is entered.

(i) A circuit court may not set a hearing for an in rem foreclosure until 30 days after the complaint for an in rem foreclosure is filed.

(j) At the hearing, any interested party shall have the right to be heard and to contest the delinquency of the taxes and the adequacy of the proceedings.

(k) If the circuit court finds that the Department sent notice and a copy of the complaint to each interested party and that the information set forth in the complaint is accurate, the court shall:

(1) enter a judgment that proper notice has been provided to all interested parties; and

(2) order that the dwelling be sold at public auction.

(l) (1) After entry of judgment under subsection (k) of this section, the Department shall sell the dwelling at public auction in accordance with the Maryland Rules.

(2) The dwelling may not be sold until at least 45 days after the entry of judgment.

(m) The minimum bid for the sale of the dwelling shall be based on the fair market value of the dwelling, as determined by the Department.

(n) (1) The dwelling shall be sold to the person making the highest bid.

(2) The person making the highest bid shall pay the full bid amount to the Department.

(3) If the minimum bid is not made or exceeded, the Department may bid the minimum bid price and purchase the real property.

(o) (1) The Department shall deposit any amount by which the highest bid exceeds the amount of taxes due on the dwelling in an escrow account.

(2) The circuit court shall distribute the funds deposited into the escrow account to the interested parties in the order of priority of the interests of the interested parties.

(p) After a sale, the Department shall file a notice informing the circuit court of the sale and stating the date of the sale, the sale price, and the identity of the purchaser.

(q) A sale of a dwelling under this section is final and binding on the maker of the highest bid.

(r) (1) The title acquired in an in rem foreclosure proceeding shall be an absolute or fee simple title including the right, title, and interest of each of the defendants in the proceeding whose property has been foreclosed unless a different title is specified in the judgment entered.

(2) A judgment in an action under this section is binding and conclusive, regardless of legal disability, on:

(i) all persons, known and unknown, who were parties to the action and who had a claim to the property, whether present or future, vested or contingent, legal or equitable, or several or undivided; and

(ii) all persons who were not parties to the action and had a claim to the property that was not recorded at the time that the action was commenced.

(s) A homeowner or any interested party in a homeowner's dwelling may not:

(1) raise as a defense to a foreclosure action under this section that the Department failed to make sufficient efforts to assist the homeowner under § 14–888(a) and (b) of this subtitle or subsection (c) of this section; or

(2) take any legal action against the Department on the basis that the Department failed to make sufficient efforts to assist the homeowner under § 14–888(a) and (b) of this subtitle or subsection (c) of this section.

(t) The Department is not liable for any environmental or other violation related to the dwelling of a homeowner enrolled or formerly enrolled in the Program unless the Department purchases the dwelling under subsection (n)(3) of this section.

§14–891.

(a) In this section, "Fund" means the Homeowner Protection Fund.

(b) There is a Homeowner Protection Fund.

(c) The purpose of the Fund is to finance the Program.

(d) The Department shall administer the Fund.

(e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(f) The Fund consists of:

(1) tax and interest payments made to the Department by homeowners enrolled in the Program;

(2) voluntary donations to the Fund under § 4–201.1 of this article;

(3) money appropriated in the State budget to the Fund;

(4) interest earnings; and

(5) any other money from any other source accepted for the benefit of the Fund.

(g) For each of fiscal years 2023, 2024, and 2025, the Governor shall include in the annual budget bill an appropriation of $750,000 to the Fund.

(h) (1) The Fund may be used only for any expenses associated with the Program.

(2) The Fund may not be used for any expenses of the office of the State Tax Sale Ombudsman that are not directly related to the Program.

(i) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(j) Expenditures from the Fund may be made only in accordance with the State budget.

(k) The Fund is the exclusive source of funding for the Program.

§14–894.

(a) (1) In this section the following words have the meanings indicated.

(2) "Interested party" means any person having an interest in a vacant or nuisance property:

(i) who last appears as owner of the property on the collector's tax roll;

(ii) who is a mortgagee of the property or assignee of a mortgage of record;

(iii) who is a holder of a beneficial interest in a deed of trust recorded against the property;

(iv) who is a taxing agency that has the authority to collect tax on the property; or

(v) whose identity and address are:

1. reasonably ascertainable from the county land records; or

2. revealed by a full title search consisting of at least 50 years.

(3) "Tax" has the meaning stated in § 14–801 of this subtitle.

(4) "Vacant or nuisance property" means a vacant lot or improved property determined to be a vacant property or a nuisance property under the Baltimore City Building Code.

(5) "Value" means that the total amount of liens for unpaid taxes on a property does not exceed the lesser of the total value of the property as last determined by the Department or as determined by an appraisal report prepared not more than 6 months before the filing of a complaint under this section by a real estate appraiser who is licensed under Title 16 of the Business Occupations and Professions Article.

(b) (1) In accordance with this section, Baltimore City may authorize, by law, an in rem foreclosure of vacant or nuisance property on which the taxes are in arrears.

(2) A law that authorizes an in rem foreclosure of vacant or nuisance property shall:

(i) state the date after which real property may be subject to in rem foreclosure;

(ii) establish criteria for designating real property to be foreclosed under this section;

(iii) authorize Baltimore City to file a complaint for an in rem foreclosure; and

(iv) include administrative rules and procedures necessary to carry out an in rem foreclosure of vacant or nuisance property.

(c) Baltimore City may not file a complaint for an in rem foreclosure action under this section unless:

(1) the taxes on the real property have been delinquent for at least 6 months; and

(2) the right to appeal the notice of the property as vacant or nuisance property has tolled.

(d) To initiate an in rem foreclosure action, Baltimore City shall:

(1) file a complaint for an in rem foreclosure in the Circuit Court for Baltimore City; and

(2) serve the complaint to each interested party in accordance with the Maryland Rules.

(e) All taxes shall:

(1) be included in the foreclosure action; and

(2) cease to be a lien against the property if a judgment is entered foreclosing the existing interests of all interested parties in the property.

(f) The complaint for an in rem foreclosure shall include:

(1) the name and address of the appropriate agency of Baltimore City;

(2) a description of the property as it appears in the land records;

(3) the tax identification number of the property;

(4) a statement that the taxes are delinquent at the time of the filing;

(5) the amount of taxes that are delinquent as of the date of the filing;

(6) the names and last known addresses of all interested parties in the property and, if applicable, a statement that the address of a particular interested party in the property is unknown;

(7) a statement that the real property is a vacant or nuisance property;

(8) copies of any violation notice cited under item (7) of this subsection; and

(9) a request that the circuit court enter a judgment that forecloses the existing interests of all interested parties in the real property.

(g) A complaint for an in rem foreclosure may be amended to include all taxes that become delinquent after the commencement of the in rem foreclosure action.

(h) (1) Subject to paragraph (2) of this subsection, an interested party has the right to cure the delinquent taxes on the property by paying all past due taxes at any time before the entry of the foreclosure judgment.

(2) The right to cure the delinquent taxes on the property is extinguished once the foreclosure judgment is entered.

(i) The circuit court may not set a hearing for an in rem foreclosure until 30 days after the complaint for an in rem foreclosure is filed.

(j) At the hearing, any interested party shall have the right to be heard and to contest the delinquency of the taxes and the adequacy of the proceedings.

(k) If the circuit court finds that the complaint was served on each interested party and that the information set forth in the complaint is accurate, the court shall:

(1) enter a judgment that:

(i) proper notice has been provided to all interested parties;

(ii) the real property is a vacant or nuisance property; and

(iii) forecloses the existing interests of all interested parties in the real property; and

(2) order that ownership of the real property be transferred to Baltimore City.

(l) Baltimore City shall record a judgment under subsection (k) of this section in the land records.

(m) (1) If property subject to foreclosure under this section has value, Baltimore City shall:

(i) sell the property at public auction in accordance with subsection (n) of this section; or

(ii) compensate the interested parties in the property in accordance with subsection (o) of this section.

(2) If property subject to foreclosure under this section does not have value, Baltimore City may retain title to the property without providing compensation to the interested parties.

(n) (1) A sale of property subject to foreclosure under this section shall be conducted at public auction in accordance with the Maryland Rules.

(2) Property may not be sold until at least 45 days after the entry of judgment of foreclosure.

(3) The minimum bid for the sale of the property shall be the total amount of liens for unpaid taxes on the property.

(4) The property shall be sold to the person making the highest bid.

(5) The person making the highest bid shall pay the full bid amount to Baltimore City.

(6) If the minimum bid is not made or exceeded, Baltimore City may bid the minimum bid price and purchase the property.

(7) Baltimore City shall deposit in an escrow account any amount by which the highest bid exceeds:

(i) the amount of taxes due on the property; and

(ii) the value of all improvements made on the property and all costs incurred with respect to development of the property before the sale of the property by Baltimore City.

(8) The circuit court shall distribute the funds deposited into the escrow account to the interested parties in the order of priority of the interests of the interested parties.

(9) After a sale, Baltimore City shall file a notice informing the circuit court of the sale and stating the date of the sale, the sale price, and the identity of the purchaser.

(10) A sale of a property under this section is final and binding on the maker of the highest bid.

(o) (1) To compensate the interested parties in a property that has value without selling the property, Baltimore City shall:

(i) obtain an appraisal of the property by a real estate appraiser who is licensed under Title 16 of the Business Occupations and Professions Article; and

(ii) deposit in an escrow account the amount by which the appraisal exceeds the amount of taxes due on the property.

(2) The circuit court shall distribute the funds deposited into the escrow account to the interested parties in the order of priority of the interests of the interested parties.

(p) (1) The title acquired in an in rem foreclosure proceeding shall be an absolute or fee simple title including the right, title, and interest of each of the defendants in the proceeding whose property has been foreclosed unless a different title is specified in the judgment entered.

(2) A judgment in an action under this section is binding and conclusive, regardless of legal disability, on:

(i) all persons, known and unknown, who were parties to the action and who had a claim to the property, whether present or future, vested or contingent, legal or equitable, or several or undivided; and

(ii) all persons who were not parties to the action and had a claim to the property that was not recorded at the time that the action was commenced.

(q) (1) Except as provided in paragraph (2) of this subsection, a court may not reopen a judgment rendered in an in rem foreclosure proceeding in accordance with this section except on the ground of lack of jurisdiction or fraud in the conduct of the proceedings to foreclose.

(2) A court may not reopen any judgment under paragraph (1) of this subsection on the ground of constructive fraud in the conduct of the proceedings to foreclose unless an application to reopen a judgment rendered is filed within 1 year after the date of the judgment.

(r) A plaintiff in an action to reopen an in rem foreclosure judgment under this section shall:

(1) except as provided in subsection (q)(2) of this section, file the action within 3 years after the issuance of the in rem foreclosure judgment;

(2) pay all taxes due on the property before filing the action; and

(3) within 30 days after filing the action, submit evidence to the court that the plaintiff has obtained a bond equal to the reasonable value of the property.

(s) If an in rem foreclosure judgment of the court is set aside, the amount required to redeem is equal to the sum of:

(1) the amount required by this subtitle; and

(2) the reasonable value, at the date the judgment is set aside, of all improvements made on the property and all costs incurred with respect to development of the property by the purchaser and the purchaser's successors in interest.

§14–901.

In order to correct an incorrect or improper assessment and to prevent injustice, an order to abate or decrease an assessment after the date of finality may be issued as provided by § 8-419 of this article.

§14–902.

(a) (1) In this section the following words have the meanings indicated.

(2) "Qualified brownfields site" has the meaning stated in § 5–301 of the Economic Development Article.

(3) "Tax" has the meaning stated in § 14–801(d) of this title.

(b) The governing body of a county or municipal corporation may grant, by law, a tax abatement against the overdue county or municipal corporation property taxes imposed on real property that is designated as a qualified brownfields site.

§14–904.

(a) A person who submits a written refund claim to the appropriate collector for State property tax erroneously or mistakenly paid to the collector is eligible for a refund from the State Treasury of the amount of State property tax paid that exceeds the amount that is properly and legally chargeable to or collectible from the person.

(b) If the assessment on which State property tax is payable has become final and has not been appealed as provided by Subtitle 5 of this title, a person is eligible for a refund of State property tax only if the person paid a tax bill that is erroneous because of a mathematical error, mechanical error, error in the property

description, or other clerical error made by the taxing authority or assessing authority, and not because of an error of valuation.

§14–905.

(a) Subject to § 14-919 of this subtitle, a person who submits a written refund claim to the appropriate collector for county or municipal corporation property tax erroneously or mistakenly paid to the collector is eligible for a refund of the amount paid that exceeds the amount that is properly and legally chargeable to or collectible from the person.

(b) A person who submits a written refund claim to the person authorized to collect a county or municipal corporation charge or fee for the amount paid in excess of the charge or fee properly and legally chargeable or collectible is eligible for a refund of the excess charge or fee.

(c) If the assessment on which county or municipal corporation property tax is payable has become final and has not been appealed as provided by Subtitle 5 of this title, a person is eligible for a refund of county or municipal corporation property tax under subsection (a) of this section only if the person paid a tax bill that is erroneous because of a mathematical error, mechanical error, error in the property description, or other clerical error made by the taxing authority or assessing authority, and not because of an error of valuation.

(d) (1) In Carroll County, a person who erroneously pays the property tax of another may apply for refund under § 14-914 of this subtitle.

(2) The County Commissioners, under regulations adopted by them, may grant that person a refund.

§14–906.

(a) A person shall receive a refund of excess property tax paid on property without submitting a refund claim to the collector if the payment is erroneous due to:

(1) a lower final property tax liability than the advance property tax payment made under § 10-205 of this article;

(2) a lower final property tax liability than the estimated property tax payment made under § 10-210 of this article; or

(3) a corrected assessment issued by the Department under § 11-103(c) of this article.

(b) If a person submits a refund claim to the collector within the time required by § 14-915 of this subtitle, the person shall receive a refund of excess property tax paid on personal property if the payment is erroneous due to a lower final property tax liability than the advance property tax payment made under § 10-206 of this article.

(c) A person may claim a refund of the excess property tax liability fee if the payment is erroneous due to a lower final property tax liability than the advance payment made under § 10-205 of this article.

§14–907.

A person who submits a written refund claim for recordation tax that has been erroneously or mistakenly paid to or illegally or erroneously assessed or wrongfully collected by the clerk of a circuit court, the Director of Finance in Prince George's County, or the Department, or paid on property exempt wholly or partly from the recordation tax is eligible for a refund from the Department, clerk, or the Director of Finance that collected the recordation tax.

§14–908.

A person who submits a written refund claim for transfer tax that has been erroneously or mistakenly paid to or illegally or erroneously assessed or wrongfully collected by the clerk of a circuit court, the Department, or other collector, or paid on property exempt wholly or partly from the transfer tax is eligible for a refund from the Department, clerk, or collector that collected the transfer tax.

§14–911.

(a) A refund claim shall be approved or denied:

(1) under § 14-904 of this subtitle, by the Comptroller;

(2) under § 14-905 of this subtitle, by the appropriate collector; or

(3) except as provided in subsection (b) of this section, under § 14-907 or § 14-908 of this subtitle, by the Department, clerk, or the Director of Finance that collected the tax.

(b) If a refund claim made under § 14-907 or § 14-908 of this subtitle is not allowed and is not denied on or before 6 months from the date the refund claim is submitted, the person submitting the claim may treat the claim as denied.

(c) If a refund claim is made under § 14-907 or § 14-908 of this subtitle, the Department, clerk, or Director of Finance considering the refund claim shall:

(1) investigate the claim;

(2) notify the claimant of an opportunity for a hearing on the claim; and

(3) if the claimant requests a hearing on the claim, conduct a hearing.

(d) If a claim is determined to be eligible for refund, the agency considering the claim shall request authorization of payment for a claim under:

(1) § 14-904 of this subtitle, from the Comptroller;

(2) § 14-905(a) of this subtitle, from the appropriate county or municipal corporation official; or

(3) § 14-907 or § 14-908 of this subtitle, from the Comptroller or the chief fiscal officer of the county.

(e) The agency determining a claim made under § 14-907 or § 14-908 of this subtitle shall give written notice to the claimant of:

(1) a denial of the claim by that agency;

(2) a denial of payment authorization under subsection (d)(3) of this section by the Comptroller or chief fiscal officer of the county; or

(3) a delay in paying an approved claim.

§14–914.

(a) Except as provided in § 14-906 of this subtitle, to apply for a refund under this subtitle, a person shall submit a written refund claim:

(1) on the form required under subsection (b) of this section;

(2) under oath;

(3) supported by the documents required under subsection (b) of this section; and

(4) that contains the information required under subsection (b) of this section.

(b) A claim for refund under subsection (a) of this section shall be as required by:

(1) regulations adopted by the Comptroller, for a claim under § 14-904 of this subtitle;

(2) regulations adopted by the governing body of the county or of the municipal corporation, for a claim made under § 14-905(a), (b), or (d) of this subtitle; or

(3) the Comptroller or the chief fiscal officer of the county, for a claim under § 14-907 or § 14-908 of this subtitle.

§14–915.

To be eligible for a refund, a person must submit a refund claim on or before:

(1) 3 years from the date that the property tax is paid, for a claim under § 14-904, § 14-905(a), (b), or (d), or § 14-906(c) of this subtitle;

(2) 3 years from the date that the recordation tax is paid, for a claim under § 14-907 of this subtitle;

(3) 3 years from the date that the transfer tax is paid, for a claim under § 14-908 of this subtitle; or

(4) 1 year from the date that the tax rate is fixed for the taxable year following an advance payment of property tax on personal property for which a claim is submitted under § 14-906(b) of this subtitle.

§14–916.

(a) Except as otherwise provided in this section, the appropriate official shall pay a refund claim that meets the requirements of this subtitle, and shall pay the interest allowed in § 14–917 of this subtitle.

(b) The appropriate official may not pay a refund claim under § 14–907 or § 14–908 of this subtitle if:

(1) an appeal that relates to the refund claim is pending;

(2) the refund claim is not submitted within the time required by § 14–915 of this subtitle; or

(3) the claimant has delinquent State, county, or municipal corporation taxes, charges, or fees.

§14–917.

(a) Except as provided in subsection (b) of this section, interest shall be paid on a refund claim under § 14-907 or § 14-908 of this subtitle at the rate of 6% a year on the amount of the refund from the date that the tax was paid.

(b) Interest may not be paid on a refund claim based on a mistake or error that is attributable only to the claimant and not to the Department, a clerk of the court, or the Director of Finance in Prince George's County.

(c) Interest shall be paid on a refund claim under § 14-906(a)(2) of this subtitle as provided by § 14-608 of this title.

§14–918.

If a unit of the State pays a refund of any tax, fee, charge, penalty, or interest that was distributed to a county or municipal corporation, the unit of the State shall deduct the amount refunded from a subsequent distribution of the tax, fee, charge, penalty, or interest to that county or municipal corporation.

§14–919.

(a) Notwithstanding any other provision of this title, a municipal corporation may pay a claim for a refund of personal property tax without interest within three years after the refund claim is approved if the Department determines that the refund is a result of a failure to file a report when due or other taxpayer error.

(b) Notwithstanding any other provision of this title, a county may pay a claim for a refund of personal property tax without interest within 180 days after the refund claim is approved if the Department determines that the refund is a result of a failure to file a report when due or other taxpayer error.

§14–1001.

A person who negligently fails to provide any information as required under this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500.

§14–1002.

(a) A person who willfully or with the intent to evade payment of a tax under this article or to prevent the collection of a tax under this article fails to provide any information as required under this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $5,000 or imprisonment not exceeding 18 months or both.

(b) A person who is convicted of a crime under subsection (a) of this section is also subject to prosecution for perjury.

§14–1003.

A person who negligently provides false information or a false answer to a property tax interrogatory under this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500.

§14–1004.

(a) A person who willfully or with the intent to evade payment of a tax under this article or to prevent the collection of a tax under this article provides false information or a false answer to a property tax interrogatory under this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $5,000 or imprisonment not exceeding 18 months or both.

(b) A person who is convicted of a crime under subsection (a) of this section is also subject to prosecution for perjury.

§14–1005.

A person who negligently fails to submit a property tax report as required under Title 11 of this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500.

§14–1006.

(a) A person who willfully or with the intent to evade payment of property tax or to prevent the collection of property tax fails to submit a property tax report as required under Title 11 of this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $5,000 or imprisonment not exceeding 18 months or both.

(b) A person who is convicted of a crime under subsection (a) of this section is also subject to prosecution for perjury.

§14–1007.

A person who negligently submits a false property tax report in violation of Title 11 of this article is guilty of a misdemeanor and on conviction is subject to a fine of $500.

§14–1008.

A person who negligently fails to answer a property tax interrogatory as required under this article is guilty of a misdemeanor and on conviction is subject to a fine of $500.

§14–1009.

(a) A person who willfully or with the intent to evade payment of property tax or to prevent the collection of property tax fails to answer an interrogatory under this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $5,000 or imprisonment not exceeding 18 months or both.

(b) A person who is convicted of a crime under subsection (a) of this section is also subject to prosecution for perjury.

§14–1010.

A person who records an instrument of writing subject to the recordation tax without paying the recordation tax under Title 12 of this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500 or imprisonment not exceeding 6 months.

§14–1011.

If an instrument of writing that is recorded under Title 12 of this article is used to secure an additional debt, a person who fails to pay the additional recordation tax required in § 12-105(f) of this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500 or imprisonment not exceeding 6 months.

§14–1012.

A person who willfully misrepresents the amount of consideration paid in a transaction by affixing to an instrument of writing evidence of a greater or lesser recordation tax paid than required under Title 12 of this article is guilty of a

misdemeanor and on conviction is subject to a fine not exceeding $500 or imprisonment not exceeding 6 months.

§14–1013.

A person who assaults a collector who is performing a duty is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500 or imprisonment not exceeding 12 months or both.

§14–1014.

A person who assaults another person to stop that person from bidding at a collector's sale or because that person bid at a collector's sale is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500 or imprisonment not exceeding 12 months or both.

§14–1015.

An officer or employee of the State, a county, or municipal corporation who negligently fails to perform a duty or to do any act required in this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $1,000.

§14–1016.

An officer or employee of the State, a county, or municipal corporation who willfully fails to perform a duty required under this article with the intent to prevent the payment or collection of a tax under this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $5,000 or imprisonment not exceeding 2 years or both.

§14–1017.

An officer, former officer, employee, or former employee of the State, a county, or municipal corporation who discloses confidential information in violation of § 1-301 of this article is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $1,000 or imprisonment not exceeding 6 months or both.

§14–1101.

(a) Except as otherwise provided in this section and in this article, any tax imposed under this article may be collected only on or before 7 years from the date the tax is due.

(b) For any tax imposed under this article within the limitations of this subtitle, the tax may be collected by an action that is filed in court on or before 7 years from the date that the tax is due. Any judgment entered may be enforced or renewed as any other judgment.

(c) If a collector fails to collect a tax and a receiver or trustee is appointed within the period specified in subsection (a) of this section to complete the tax collection, the collection period is 2 years from the date of the appointment of the trustee or receiver or 7 years from the date the tax is due, whichever is later.

(d) The 7-year limitation specified by subsection (a) of this section applies to any tax under this article that is imposed on or after July 1, 1982. For a tax imposed before July 1, 1982, the period of limitations is 4 years.

§14–1103.

(a) Except as otherwise provided in subsections (b) and (c) of this section, property tax shall be assessed for the taxable period specified in Title 8 of this article.

(b) Escaped property shall be assessed under § 8–417 of this article at the time the property is located and for not more than the 3 preceding taxable years.

(c) Assessments or abatements under § 8–419(c) of this article shall be made on or before the later of:

(1) 1 year after the report under § 11–101 of this article was filed; or

(2) 1 year after the due date of the report.

(d) Assessments under § 8–419(c) of this article may not be made when all property has transferred since the original report filing under § 11–101 of this article.