

SENATE BILL 550

Q2

5lr1852
CF 5lr3380

By: **Senators McCray and Hayes**

Introduced and read first time: January 23, 2025

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Property Tax – Authority to Establish a Subclass and Special**
3 **Rate for Property No Longer Used for Nonprofit Purposes**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City to establish,
5 by law, a subclass of real property consisting of certain property that is owned by a
6 nonprofit organization but no longer used for the purpose for which the nonprofit
7 organization was established and to set a special property tax rate for that property;
8 and generally relating to a special property tax rate for property that is owned by a
9 nonprofit organization but no longer used for the purpose for which the nonprofit
10 organization was established.

11 BY adding to
12 Article – Tax – Property
13 Section 6–202.2
14 Annotated Code of Maryland
15 (2019 Replacement Volume and 2024 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Tax – Property
18 Section 6–302
19 Annotated Code of Maryland
20 (2019 Replacement Volume and 2024 Supplement)

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

23 **Article – Tax – Property**

24 **6–202.2.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY ESTABLISH, BY**
2 **LAW, A SUBCLASS OF REAL PROPERTY CONSISTING OF REAL PROPERTY THAT:**

3 **(1) IS OWNED BY A NONPROFIT ORGANIZATION; AND**

4 **(2) HAS NOT BEEN USED FOR AT LEAST 3 CONSECUTIVE TAXABLE**
5 **YEARS FOR THE PURPOSE FOR WHICH THE NONPROFIT ORGANIZATION WAS**
6 **ESTABLISHED.**

7 6–302.

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

13 (b) (1) Except as provided in [subsection] **SUBSECTIONS (c) AND (D)** of this
14 section and §§ 6–305 and 6–306 of this subtitle:

15 (i) there shall be a single county property tax rate for all real
16 property subject to county property tax except for operating real property described in §
17 8–109(c) of this article; and

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

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

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

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

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

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

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

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

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

5 **(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE MAYOR**
6 **AND CITY COUNCIL OF BALTIMORE CITY MAY SET A SPECIAL RATE FOR REAL**
7 **PROPERTY THAT:**

8 **(I) IS OWNED BY A NONPROFIT ORGANIZATION; AND**

9 **(II) HAS NOT BEEN USED FOR AT LEAST 3 CONSECUTIVE**
10 **TAXABLE YEARS FOR THE PURPOSE FOR WHICH THE NONPROFIT ORGANIZATION**
11 **WAS ESTABLISHED.**

12 **(2) THE SPECIAL RATE AUTHORIZED UNDER PARAGRAPH (1) OF THIS**
13 **SUBSECTION MAY NOT EXCEED 10 TIMES THE PROPERTY TAX RATE SET UNDER**
14 **SUBSECTION (B)(1)(I) OF THIS SECTION.**

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
16 1, 2025, and shall be applicable to all taxable years beginning after June 30, 2025.