

Chapter 809

(Senate Bill 497)

AN ACT concerning

Property Tax – City of Hagerstown and the Hagerstown Multi–Use Sports and Events Facility, Inc. – Exemption

FOR the purpose of exempting from the property tax property that is owned by the City of Hagerstown and used primarily for public social, recreational, and entertainment purposes; establishing that the exemption from the property tax for certain property owned by the City of Hagerstown or the Hagerstown Multi–Use Sports and Events Facility shall apply retroactively beginning with a certain taxable year; requiring the State, Washington County, and the City of Hagerstown to pay a refund for any excess property tax paid due to the retroactive exemption under this Act; and generally relating to a property tax exemption for property owned by the City of Hagerstown or the Hagerstown Multi–Use Sports and Events Facility, Inc.

BY repealing and reenacting, without amendments,
 Article – Tax – Property
 Section 1–101(a), (cc), and (dd)
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
 Article – Tax – Property
 Section 7–251 and 7–524
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

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

Article – Tax – Property

1–101.

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

7-251.

- (A) Property is not subject to property tax if the property:

- (1) is owned by [The]:

(I) **THE CITY OF HAGERSTOWN; OR**

(II) **THE Hagerstown Multi-Use Sports and Events Facility, Inc.;**

and

- (2) is used primarily for public social, recreational, and entertainment purposes.

(B) (1) THE EXEMPTION UNDER SUBSECTION (A) OF THIS SECTION SHALL APPLY RETROACTIVELY TO TAXABLE YEARS BEGINNING AFTER JUNE 30, 2023.

- (2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE:**

(I) THE DEPARTMENT SHALL GRANT AN EXEMPTION FOR ALL ELIGIBLE TAXABLE YEARS TO A PERSON THAT REQUESTS A RETROACTIVE EXEMPTION UNDER THIS SECTION; AND

(II) THE STATE, WASHINGTON COUNTY, AND THE CITY OF HAGERSTOWN SHALL PAY A REFUND FOR ANY EXCESS PROPERTY TAX PAID DUE TO A RETROACTIVE EXEMPTION GRANTED UNDER THIS SECTION.

7-524.

Notwithstanding the exemption from property tax under § 7-251 of this title, [The] **THE Hagerstown Multi-Use Sports and Events Facility, Inc.** may pay to the governing body of Washington County or the City of Hagerstown an amount, if any, that may be set by mutual agreement in lieu of the taxes that would otherwise be due on all or part of the facility.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2026.

Approved by the Governor, May 26, 2026.