

# SENATE BILL 369

C9, Q1

6lr1817  
CF 6lr1818

---

By: Senator Hettleman

Introduced and read first time: January 27, 2026

Assigned to: Budget and Taxation

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Nonprofit Housing Corporations – Tax and Enforcement of Judgment**  
3 **Exemptions – Alterations**

4 FOR the purpose of exempting certain real property owned by certain subsidiary entities  
5 of a nonprofit housing corporation from taxes and special assessments of the State  
6 or a political subdivision; exempting certain real property of a nonprofit housing  
7 corporation from certain procedures for enforcement of a judgment against the  
8 nonprofit housing corporation; and generally relating to tax and enforcement of  
9 judgment exemptions for nonprofit housing corporations.

10 BY repealing and reenacting, with amendments,  
11 Article – Housing and Community Development  
12 Section 12-104  
13 Annotated Code of Maryland  
14 (2019 Replacement Volume and 2025 Supplement)

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

17 **Article – Housing and Community Development**

18 12-104.

19 (a) In this section, “housing authority entity” means an entity:

20 (1) that is controlled or wholly owned by an authority; or

21 (2) in which an authority or an entity controlled or wholly owned by an  
22 authority has an ownership interest, either directly or indirectly, through one or more  
23 wholly or partially owned subsidiary entities.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



3 (1) the nonprofit entity is established by an authority under § 12–502(h) of  
4 this title; and

5 (2) the authority:

6 (i) has the power to appoint a majority of the board of directors of  
7 the nonprofit entity; or

8 (ii) is the sole member of the nonprofit entity.

16 (II) RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS AN  
17 ORGANIZATION DESCRIBED IN § 501(C)(3) OF THE INTERNAL REVENUE CODE; AND

21 (2) Property is used for essential public and governmental OR  
22 **CHARITABLE** purposes and is exempt from all taxes and special assessments of the State  
23 or a political subdivision if the property:

24 (i) belongs to an authority or a nonprofit housing corporation;

25 (ii) is used as housing for persons of eligible income and is owned in  
26 whole or in part, directly or indirectly, through one or more wholly or partially owned  
27 subsidiary entities of a housing authority entity **OR NONPROFIT HOUSING**  
28 **CORPORATION**; or

12 (d) (1) Except as provided in paragraph (2) or (3) of this subsection:

13 (i) all real property of an authority is exempt from levy and sale by  
14 virtue of an execution;

15 (II) ALL REAL PROPERTY OF A NONPROFIT HOUSING  
16 CORPORATION THAT IS USED AS HOUSING FOR PERSONS OF ELIGIBLE INCOME IS  
17 EXEMPT FROM LEVY AND SALE BY VIRTUE OF AN EXECUTION;

22 (v) A JUDGMENT AGAINST A NONPROFIT HOUSING  
23 CORPORATION IS NOT A CHARGE OR LIEN ON THE NONPROFIT HOUSING  
24 CORPORATION'S REAL PROPERTY THAT IS USED AS HOUSING FOR PERSONS OF  
25 ELIGIBLE INCOME.

26 (2) Paragraph (1) of this subsection does not limit a right to foreclose or  
27 otherwise enforce:

(i) a mortgage or deed of trust recorded against property of an authority **OR A NONPROFIT HOUSING CORPORATION**; or

30 (ii) a pledge or lien given by an authority **OR A NONPROFIT**  
31 **HOUSING CORPORATION** on its rents, fees, or revenues.

(3) This subsection does not deprive a political subdivision of its right to collect money agreed to be paid in lieu of taxes in the same manner as taxes are now or may be collected under State law and the laws of the political subdivision.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2026.