

# SENATE BILL 497

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6lr1536  
CF HB 846

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By: **Washington County Senators**

Introduced and read first time: February 2, 2026

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 20, 2026

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

1 AN ACT concerning

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

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

13 BY repealing and reenacting, without amendments,  
14 Article – Tax – Property  
15 Section 1–101(a), (cc), and (dd)  
16 Annotated Code of Maryland  
17 (2019 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article – Tax – Property  
20 Section 7–251 and 7–524  
21 Annotated Code of Maryland  
22 (2019 Replacement Volume and 2025 Supplement)

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Tax – Property**

4 1–101.

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

6 (cc) “Property” means real property and personal property.

7 (dd) “Property tax” means the property tax imposed by:

8 (1) the State;

9 (2) a county; or

10 (3) a municipal corporation.

11 7–251.

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

13 (1) is owned by [The]:

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

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

16 and

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

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

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

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

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

1 7-524.

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

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
8 1, 2026.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.