



**House Bill 815 - State Agricultural Land Transfer Tax – Application of Nonagricultural Use Reduction and Exemption**

**Position: Support**

In 2019, the General Assembly altered the transfer tax rates charged on an agricultural property sale. The Maryland REALTORS® support HB 815, to clarify the rates that are applied to agriculture real estate transactions which occurred around the effective date of that change.

The sale of an agricultural property can at times be a lengthy process. Some property owners entered into a contract for sale prior to July 1, using the prior agricultural land transfer tax rates in their calculations, but did not complete the sale until after that date. When the amendments to Chapters 566 and 567 were implemented without a grandfathering provision, those property owners were charged a higher tax rate than expected.

HB 815 will allow those properties which were in the sales process to retain the more generous tax treatment available prior to July 1, 2019. This adjustment has a minimal impact on the state's finances but could make a significant difference to these affected property owners.

The Maryland REALTORS® requests a favorable report on HB 815.

**For more information contact [bill.castelli@mdrealtor.org](mailto:bill.castelli@mdrealtor.org),  
[susan.mitchell@mdrealtor.org](mailto:susan.mitchell@mdrealtor.org) or [lisa.may@mdrealtor.org](mailto:lisa.may@mdrealtor.org)**