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**To:** Members of the Environment & Transportation Committee  
**From:** MLTA Legislative Committee  
**Date:** January 26, 2021  
**Subject:** **HB 1090** – Department of Housing and Community Development - Partnership Rental Housing Program - Alterations (Mixed-Income Housing Act of 2021)  
**Position:** **Opposed unless amended**

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The Maryland Land Title Association (MLTA) **opposes House Bill 1090 Department of Housing and Community Development - Partnership Rental Housing Program - Alterations (Mixed-Income Housing Act of 2021) unless it is amended to remove the recording surcharge and increase in recordation taxes.** HB 1090 seeks to establish the Partnership Rental Housing Program of the Department of Housing and Community Development.

Maryland currently ranks 5<sup>th</sup> among all states for highest closing costs, including taxes, imposed in connection with the sale and refinancing of real estate. Increasing the transfer tax here would be yet another hurdle to prospective Maryland homebuyers in achieving their dream of homeownership. Already in this session of the General Assembly, there is proposed legislation to raise the transfer tax in Anne Arundel County and there are already three other counties who have either raised their transfer and recordation taxes or are exploring doing it (Howard, Frederick and Montgomery). If this is not removed from this proposed legislation, we cannot support it as written.

In addition, adding a \$50 charge to every instrument that gets recorded in the land records is simply unfair to Maryland residents. Again, we have some of the highest taxes in the nation. Adding another tax to unsuspecting homeowners is unreasonable. For example, it already costs \$50 to record a release of a deed of trust. This legislation would double that cost to \$100. For many other recordable instruments, the proposed legislation would *more than double* the cost to record a document in the land records.

While a few hundred dollars may not seem like much for lawmakers dealing with millions of tax dollars, this adds up very quickly for our clients, working families. We see this all too often at the settlement table where the fees keep adding up causing homebuyers economic anxiety. Saving even a small amount of additional dollars by not being hit with these onerous tax increases, would be a boon to the Maryland economy.

For these reasons, the MLTA **opposes House Bill 1090 unless amended to remove the tax increases.**

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