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January 19, 2022

TO: The Honorable Vanessa E. Atterbeary
Chair, Ways and Means Committee

FROM: Hannibal G. Williams II Kemerer
Chief Counsel, Legislative Affairs, Office of the Attorney General

RE: HB0115 – Real Property Transfer to Heir – Exemption from Payment – **Letter of Support**

The Office of Attorney General urges this Committee to favorably report HB 115. If passed, Delegate Hill's bill will take effect on October 1, 2022. This bill eliminate real property tax prepayment requirements on instruments of writing transferring real property from the estate of a decedent to that decedent's heirs.

Real property should transfer to a decedent's heirs irrespective of when the taxes on the property are paid. Some heirs may not have the means to pay taxes prior to inheriting. If HB 115 passes, heirs can leverage the real property for loans, etc., in order to pay the necessary transfer taxes. According to the U.S. Department of Agriculture, heir property is "the leading cause of Black involuntary land loss."¹ House Bill 115 is a means of stemming the tide of such land loss and consistent with nationwide progressive trends with respect to real property laws.²

For the foregoing reasons, the Office of the Attorney General urges a favorable report of the House Bill 115.

¹ See Lizzie Presser, *Their Family Bought Land One Generation After Slavery. The Reels Brothers Spent Eight Years in Jail for Refusing to Leave It*, ProPublica, July 15, 2019, available at: <https://features.propublica.org/black-land-loss/heirs-property-rights-why-black-families-lose-land-south/>.

² See Lizzie Presser, *How to Close Heirs Property Loopholes*, ProPublica, July 15, 2019, available at <https://www.propublica.org/article/what-can-heirs-property-owners-do-to-protect-their-land-loss> (noting that advocates call for "Legislation that allows heirs' property owners to access exemptions from property taxes that are available to all homeowners.").

cc: Committee Members