

February 11, 2025

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee
House Office Building, Room 251,
6 Bladen St., Annapolis, MD, 21401

RE: MBIA Letter of Opposition SB510 Excess Ownership of Single-Family Residences Excise Tax (End Hedge Fund Control of Maryland Homes Act of 2025)

Dear Chairman Guzzone,

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **Excess Ownership of Single-Family Residences Excise Tax (End Hedge Fund Control of Maryland Homes Act of 2025)**. MBIA **Opposes** the Act in its current version.

SB510 would impose an excise tax on the acquisition and excess ownership of certain single-family residences in the State by certain entities.

This bill would limit the potential purchasers for a home on the market to buyers that own less than percent of the total real estate market in the county for 30 days. The bill would also establish an excise tax on large real estate holders the amount of up to 50 percent of the fair market value of a residence. These taxes will be priced into the cost of any homes for sale, driving up costs to individual consumers, and making houses less accessible across the state of Maryland.

MBIA respectfully opposes this measure the establishment of an excise tax on large scale real estate holdings is an unfair tax that would raise the cost of buying homes for individual purchasers. Private equity owners of single-family homes are helping to create supply in the rental market, particularly for growing families. Maryland is in the midst of a major housing shortage, everything should be on the table to create more options for housing. While the bill appears to be aimed at Hedge Funds, this will also target smaller, local builders that are in the Single-Family Build to Rent Market. This will cut off an important piece of the puzzle in creating more housing for Marylanders.

For these reasons, MBIA respectfully urges the Committee to give this measure a **UN Favorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Budget and Taxation Committee