



1783 Forest Drive, Suite 305, Annapolis, MD 21401 | (443) 620-4408 ph. | (443) 458-9437 fax

To: Members of the Senate Budget & Taxation Committee
From: MLTA Legislative Committee
Date: January 19, 2026 [Hearing date: January 21, 2026]
Subject: **SB 0033** – Recordation and Transfer Taxes – Exemption for Related Business Entities – Common Law Trusts
Position: **Favorable – with Amendments**

The Maryland Land Title Association (MLTA) is a professional organization working on behalf of title industry service providers and consumers and is comprised of agents, abstractors, attorneys, and underwriters. **MLTA SUPPORTS Senate Bill 33 – Recordation and Transfer Taxes – Exemption for Related Business Entities – Common Law Trusts with a request for amendment.**

The bill seeks to place an exemption for common law trusts into the same subsection as the exemption for transfers among business entities. Common law trusts, however, are not entities and the transfers sought to be exempted occur between the trustees and/or settlors of the trusts rather than the trusts, themselves¹. It is suggested that a better subsection for this bill may be Md Tax-Property Code § 12-108(ee) or a separate subsection within Md Tax-Property Code § 12-108.

Should you wish input on these matters by members of the MLTA, please let us know and we would be happy to place you in contact with one or more land title professionals who can provide examples and suggested language.

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¹ This confusion is sufficiently common that Md Real Property Code § 2-122 was enacted as a curative measure to correct transfers to trusts by use of the trust name rather than in the name of the trustee(s)