

Board of Directors
Leisure World Community Corporation
3701 Rossmoor Boulevard
Silver Spring, MD 20906

**TESTIMONY OF THE LEISURE WORLD COMMUNITY CORPORATION OF MARYLAND
ON JANUARY 21, 2026
BEFORE THE SENATE BUDGET AND TAXATION COMMITTEE
SB 033 - RECORDATION AND TRANSFER TAXES - EXEMPTION FOR RELATED BUSINESS ENTITIES -
COMMON LAW TRUSTS**

FAVORABLE

Honorable Chair Guy Guzzone and Vice Jim Rosapepe and Members of the Senate Budget and Taxation Committee:

This bill adds “Common law trusts” to a list of business entities that includes limited liability companies, corporations, limited partnerships, and statutory trusts under Section 12-108, of the Maryland Tax Property Article. These listed business entities are not subject to recordation and transfer taxes.

There does not appear to be a good reason why business entities set up as a common law trust should not have the same benefits as other business entities. This is especially true when entities are transferring real property between parents’ entities and wholly owned subsidiaries, between subsidiaries and parents, and instruments made pursuant to a reorganization of a business entity under section 368 of the IRS code. If limited liability companies, corporations, limited partnerships, and statutory trusts are not subject to recordation and transfer taxes, neither should common law trusts.

This legislation is important to the Leisure World Community Corporation (LWCC) as it is the governing body of the trust that owns and operates Leisure World of Maryland including its wholly owned subsidiary, The Leisure World of Maryland Corporation (LWMC). LWMC is a property management company providing administrative, financial, and physical property support to the Trust facilities and Mutuels at Leisure World. This legislation by including common law trusts may provide substantial savings to the more than 8500 residents at Leisure World by avoiding recordation and transfer taxes which would otherwise be required if common law trusts are not considered business entities under Section 12-108 of the Maryland Tax Property Article.

For these reasons, Leisure World supports the passage of this bill.

Colette Collier Trohan
Chair of the Board of Directors
Leisure World Community Corporation