

HOUSE BILL 833

Q2

4lr2260

By: **Delegates McIntosh, Anderson, Branch, Carter, Clippinger, Glenn, Hammen, Harper, Haynes, McHale, Mitchell, Oaks, B. Robinson, Rosenberg, Stukes, Tarrant, and M. Washington**

Introduced and read first time: February 5, 2014

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Tax–Exempt Property – Certification of Use**

3 FOR the purpose of requiring certain organizations that own property in Baltimore
4 City that is not subject to property tax to submit a certain application to the
5 State Department of Assessments and Taxation on or before a certain date;
6 requiring that the application include a certification that certain property not
7 subject to property tax is in current actual use for a certain tax–exempt
8 purpose; specifying the form and oath required for the application; providing
9 that a property subject to this Act for which an application has not been filed on
10 or before a certain date shall be subject to property tax on a certain date;
11 requiring that a property for which an application is filed after a certain date
12 not be subject to property tax effective in certain taxable years; and generally
13 relating to requiring a certification of a current tax–exempt use of certain
14 property in Baltimore City that is not subject to property tax.

15 BY repealing and reenacting, with amendments,
16 Article – Tax – Property
17 Section 7–202 and 7–204
18 Annotated Code of Maryland
19 (2012 Replacement Volume and 2013 Supplement)

20 BY adding to
21 Article – Tax – Property
22 Section 7–204.1
23 Annotated Code of Maryland
24 (2012 Replacement Volume and 2013 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Tax – Property

1

2 7–202.

3 (a) In this section:

4 (1) “fraternal organization” means any organization that:

5 (i) is conducted solely for the benefit of its members and its
6 beneficiaries;

7 (ii) is operated on a lodge system with a ritualistic activity; and

8 (iii) has a representative form of government;

9 (2) “fraternal organization” includes a sororal organization; and

10 (3) “fraternal organization” does not include:

11 (i) any college or high school fraternity or sorority; or

12 (ii) any other fraternal or sororal organization the membership
13 of which is restricted wholly or largely to students or graduates of an educational
14 institution or a professional school.15 (b) (1) Except as provided in subsection (c) of this section **AND SUBJECT**
16 **TO § 7–204.1 OF THIS SUBTITLE**, property is not subject to property tax if the
17 property:18 (i) is necessary for and actually used exclusively for a
19 charitable or educational purpose to promote the general welfare of the people of the
20 State, including an activity or an athletic program of an educational institution; and

21 (ii) is owned by:

22 1. a nonprofit hospital;

23 2. a nonprofit charitable, fraternal, educational, or
24 literary organization including:25 A. a public library that is authorized under Title 23 of
26 the Education Article; and27 B. a men’s or women’s club that is a nonpolitical and
28 nonstock club;

1 (2) a parsonage or convent; or

2 (3) educational purposes.

3 **7-204.1.**

4 (A) AN ORGANIZATION THAT OWNS PROPERTY IN BALTIMORE CITY
5 THAT IS NOT SUBJECT TO PROPERTY TAX AS OF JUNE 1, 2014, UNDER § 7-202
6 OR § 7-204 OF THIS SUBTITLE SHALL SUBMIT AN APPLICATION TO THE
7 DEPARTMENT ON OR BEFORE JUNE 1, 2016, IN ACCORDANCE WITH THIS
8 SECTION.

9 (B) THE APPLICATION SHALL:

10 (1) BE MADE ON THE FORM THAT THE DEPARTMENT PROVIDES;

11 (2) CERTIFY THAT EACH PROPERTY OWNED BY THE
12 ORGANIZATION IN BALTIMORE CITY THAT IS NOT SUBJECT TO PROPERTY TAX IS
13 IN CURRENT ACTUAL USE FOR A TAX-EXEMPT PURPOSE AS ENUMERATED IN §
14 7-202 OR § 7-204 OF THIS SUBTITLE; AND

15 (3) INCLUDE A STATEMENT BY A REPRESENTATIVE OF THE
16 ORGANIZATION UNDER OATH THAT THE FACTS STATED IN THE APPLICATION
17 ARE TRUE, CORRECT, AND COMPLETE.

18 (C) A PROPERTY SUBJECT TO THIS SECTION FOR WHICH AN
19 APPLICATION HAS NOT BEEN FILED ON OR BEFORE JUNE 1, 2016, SHALL BE
20 SUBJECT TO PROPERTY TAX EFFECTIVE JULY 1, 2016.

21 (D) A PROPERTY FOR WHICH AN APPLICATION IS FILED AFTER JUNE 1,
22 2016, IS NOT SUBJECT TO PROPERTY TAX EFFECTIVE:

23 (1) THE NEXT TAXABLE YEAR IF THE APPLICATION IS RECEIVED
24 ON OR AFTER JULY 1 BUT ON OR BEFORE JUNE 1; OR

25 (2) THE SECOND FOLLOWING TAXABLE YEAR IF THE APPLICATION
26 IS RECEIVED AFTER JUNE 1 BUT BEFORE JULY 1.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2014.