

**SB0953/899934/1**

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 953  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute “Recordation Tax – Collection by State Department of Assessments and Taxation – Distribution”; strike beginning with “authorizing” in line 3 down through “securities” in line 10 and substitute “altering the distribution of revenue from certain recordation taxes collected by the State Department of Assessments and Taxation; requiring the Comptroller, in consultation with the Department, to hire an independent certified public accountant to perform an audit of the distribution of certain revenue; requiring that the audit be completed by a certain date; requiring the Comptroller, under certain circumstances, to pay a certain amount to certain counties from a certain account; and generally relating to the distribution of revenue from the recordation tax”; after line 10, insert:

“BY repealing

Article – Tax – Property

Section 12–110(d)

Annotated Code of Maryland

(2012 Replacement Volume and 2017 Supplement)”;

and in line 13, strike “14–807” and substitute “12–110(d)”.

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 19 on page 1 through line 19 on page 2, inclusive, and substitute:

“12–110.

[(d) (1) The Department shall deduct the cost of administering the

(Over)

**SB0953/899934/1 Budget and Taxation Committee**  
**Amendments to SB 953**  
**Page 2 of 3**

recordation tax from the taxes collected under this title and credit those revenues to the fund established under § 1-203.3 of the Corporations and Associations Article.

(2) After deducting the revenues required under paragraph (1) of this subsection, the recordation tax collected under §§ 12-103(d) and 12-117 of this title shall be paid to the Comptroller. The Comptroller shall distribute the revenue to the counties in the ratio that the recordation tax collected in the prior fiscal year in each county bears to the total recordation tax collected in all counties in that year.]

**(D) (1) THE DEPARTMENT SHALL REMIT THE RECORDATION TAX COLLECTED UNDER §§ 12-103(D) AND 12-117 OF THIS TITLE AND ANY SUPPORTING DOCUMENTS TO THE COMPTROLLER.**

**(2) FROM THE REVENUE RECEIVED, THE COMPTROLLER SHALL:**

**(I) DEDUCT THE COST TO THE DEPARTMENT OF COLLECTING THE RECORDATION TAX UNDER §§ 12-103(D) AND 12-117 OF THIS TITLE; AND**

**(II) DISTRIBUTE THE REMAINDER OF THE REVENUE TO THE COUNTY IN WHICH:**

**1. ANY ENTITY THAT IS PARTY TO THE ARTICLES OF TRANSFER, ARTICLES OF MERGER, OR ARTICLES OF CONSOLIDATION HAS A PHYSICAL PRESENCE; OR**

**2. THE REAL PROPERTY THAT IS DIRECTLY OR BENEFICIALLY OWNED BY A REAL PROPERTY ENTITY IS LOCATED.**

**(3) (I) IF THERE IS MORE THAN ONE COUNTY ELIGIBLE TO**

RECEIVE A DISTRIBUTION UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION, THE COMPTROLLER SHALL DIVIDE THE REVENUE EQUALLY AMONG THE ELIGIBLE COUNTIES.

(II) THE COMPTROLLER SHALL DISTRIBUTE ANY REVENUE FOR WHICH THERE IS NO COUNTY ELIGIBLE TO RECEIVE THE DISTRIBUTION UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION TO THE FUND ESTABLISHED UNDER § 1-203.3 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) This section applies to Anne Arundel County, Baltimore City, Caroline County, Cecil County, and Howard County.

(b) (1) The Comptroller, in consultation with the State Department of Assessments and Taxation, shall hire an independent certified public accountant to perform an audit of the distribution of recordation tax revenue under § 12-110(d) of the Tax – Property Article for fiscal years 2010 through 2016.

(2) The audit required under paragraph (1) of this subsection shall be completed by July 1, 2019.

(c) If the audit under subsection (b) of this section determines that a county to which this section applies received an underpayment of recordation tax revenue, the Comptroller shall pay the amount due to the county from the Local Reserve Account established to comply with § 2-606 of the Tax – General Article.”;

and in line 20, strike “2.” and substitute “3.”.