

SENATE BILL 760

Q1

2lr2729

By: **Senator Hayes**

Introduced and read first time: February 7, 2022

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 12, 2022

CHAPTER _____

1 AN ACT concerning

2 **Property Tax Exemption – Religious Group or Organization – Third-Party**
3 **Leases**

4 FOR the purpose of providing that real property owned by a religious group or organization
5 that is leased to a third party does not qualify for a certain property tax exemption;
6 and generally relating to an exemption from the property tax for property owned by
7 a religious group or organization.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – Property
10 Section 7–204
11 Annotated Code of Maryland
12 (2019 Replacement Volume and 2021 Supplement)

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

15 **Article – Tax – Property**

16 7–204.

17 **(A)** Subject to **SUBSECTION (B) OF THIS SECTION AND § 7–204.1** of this subtitle,
18 property that is owned by a religious group or organization is not subject to property tax if
19 the property is actually used exclusively for:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 (1) public religious worship;
- 2 (2) a parsonage or convent; or
- 3 (3) educational purposes.

4 **(B) (1) REAL PROPERTY OWNED BY A RELIGIOUS GROUP OR**
 5 **ORGANIZATION THAT IS LEASED TO A THIRD PARTY DOES NOT QUALIFY FOR THE**
 6 **EXEMPTION UNDER THIS SECTION.**

7 **(2) IF ONLY PART OF THE REAL PROPERTY IS LEASED TO A THIRD**
 8 **PARTY, ONLY THAT PART SO LEASED DOES NOT QUALIFY FOR THE EXEMPTION**
 9 **UNDER THIS SECTION.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
 11 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.