

Chapter 98

(Senate Bill 539)

AN ACT concerning

Anne Arundel County – Special Taxing Districts – Exemptions

FOR the purpose of providing that certain taxes, or assessments, ~~fees, or charges~~ imposed by Anne Arundel County in certain special taxing districts do not apply to certain property that is exempt from taxation; and generally relating to special taxing districts in Anne Arundel County.

BY repealing and reenacting, with amendments,
Article – Local Government
Section 21–306 ~~and 21–519~~
Annotated Code of Maryland
(2013 Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 8–708(c)
Annotated Code of Maryland
(2012 Replacement Volume and 2021 Supplement)

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

Article – Local Government

21–306.

(a) The County Council of Anne Arundel County may impose a direct tax on property in a shore erosion control district to:

(1) repay a loan made to the county by the State under § 8–1005 of the Natural Resources Article for the construction of an erosion control project for the benefit of a shore erosion control district; and

(2) pay for maintenance, repair, and reconstruction of erosion control projects.

(b) A tax under this section [shall]:

(1) **SHALL** be imposed and collected as county taxes are imposed and collected; [and]

(2) SHALL have the same priority rights, bear the same interest and penalties, and in every respect be treated the same as county taxes; AND

(3) MAY NOT APPLY TO PROPERTY THAT IS EXEMPT FROM TAXATION UNDER TITLE 7, SUBTITLE 2 OF THE TAX – PROPERTY ARTICLE.

~~21-519.~~

~~A law enacted by Anne Arundel County under this subtitle:~~

~~(1) shall specify the type of infrastructure and related costs that may be financed;~~

~~(2) shall require:~~

~~(i) reasonable disclosure in a real estate contract to buyers of real property in a special taxing district of any special assessment, special tax, or other fee or charge for which the buyer would be liable due to the special taxing district; and~~

~~(ii) that, if a seller fails to provide the disclosure, the buyer may void the contract before the date of settlement;~~

~~(3) shall require adequate debt service reserve funds to be maintained;~~

~~(4) may provide:~~

~~(i) for exemptions, deferrals, and credits; and~~

~~(ii) for a lien to attach to property in a special taxing district to the extent of that property owner's obligation under any special taxing district financing; [and]~~

~~(5) may not allow:~~

~~(i) acceleration of assessments or taxes by reason of bond default; or~~

~~(ii) an increase in the maximum special assessments, special taxes, or other fees or charges applicable to any individual property if other property owners become delinquent in paying a special assessment, a special tax, or any other fee or charge securing bonds issued under this subtitle; AND~~

~~(6) MAY NOT APPLY SPECIAL ASSESSMENTS, SPECIAL TAXES, OR OTHER FEES OR CHARGES TO PROPERTY THAT IS EXEMPT FROM TAXATION UNDER TITLE 7, SUBTITLE 2 OF THE TAX – PROPERTY ARTICLE.~~

Article – Natural Resources

8–708.

(c) (1) The governing body shall pay its share of matching projects under subsection (b) of this section or shall repay the Waterway Improvement Fund for any loan authorized under subsection (d) of this section either by:

(i) Means of appropriations from general funds; or

(ii) Levying a special assessment or tax against each property owner whose property lies within the district.

(2) The governing body may accept and use any gift for the cost of any project as part of the governing body's share of any matching fund project.

(3) ANY SPECIAL ASSESSMENT OR TAX LEVIED BY ANNE ARUNDEL COUNTY UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION MAY NOT APPLY TO PROPERTY THAT IS EXEMPT FROM TAXATION UNDER TITLE 7, SUBTITLE 2 OF THE TAX – PROPERTY ARTICLE.

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

Approved by the Governor, April 12, 2022.