

## **Chapter 618**

**(House Bill 1245)**

AN ACT concerning

### **Recordation Tax and State Transfer Tax – Exemptions**

FOR the purpose of exempting from recordation tax and State transfer tax certain instruments of writing transferring property from a transferor to a grandparent or stepgrandparent; and generally relating to an exemption from recordation tax and State transfer tax for certain instruments of writing transferring property from a transferor to certain relatives.

BY repealing and reenacting, with amendments,  
Article – Tax – Property  
Section 12–108(c)  
Annotated Code of Maryland  
(2007 Replacement Volume and 2010 Supplement)

BY repealing and reenacting, without amendments,  
Article – Tax – Property  
Section 13–207(a)(2)  
Annotated Code of Maryland  
(2007 Replacement Volume and 2010 Supplement)

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

#### **Article – Tax – Property**

12–108.

(c) (1) When property is transferred subject to a mortgage or deed of trust, the recordation tax does not apply to the principal amount of debt assumed by the transferee, if the instrument of writing transfers the property from the transferor to a:

- (i) spouse or former spouse;
- (ii) son, daughter, stepson, or stepdaughter;
- (iii) parent or stepparent;

- (iv) son-in-law, daughter-in-law, stepson-in-law, or stepdaughter-in-law;
- (v) parent-in-law or stepparent-in-law;
- (vi) brother, sister, stepbrother, or stepsister;
- (vii) grandchild or stepgrandchild; [or]
- (viii) **GRANDPARENT OR STEPGRANDPARENT; OR**
- (IX)** domestic partner or former domestic partner.

(2) (i) To qualify as a domestic partner under this subsection, an individual shall submit evidence of a domestic partnership.

(ii) To qualify as a former domestic partner under this subsection, an individual shall submit evidence of dissolution of a domestic partnership.

(3) The exemption under paragraph (1) of this subsection for transfers to a domestic partner or former domestic partner of the transferor applies only to an instrument of writing for residential property.

13-207.

(a) An instrument of writing is not subject to transfer tax to the same extent that it is not subject to recordation tax under:

(2) § 12-108(c) of this article (Transfer between relatives and domestic partners);

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2011.

**Approved by the Governor, May 19, 2011.**