

HOUSE BILL 1454

Q6

01r0785

By: **Howard County Delegation**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2020

CHAPTER _____

1 AN ACT concerning

2 **Howard County – Transfer Tax – Rate Increase Authorization**

3 **Ho. Co. 26–20**

4 FOR the purpose of exempting moderate income housing units from a certain tax;
5 authorizing the ~~County Council~~ governing body of Howard County to increase the
6 rate of the transfer tax to support certain public purposes; requiring the Director of
7 Finance of Howard County to collect and distribute in certain amounts transfer tax
8 proceeds attributable to an increase in the tax rate to the county general fund to be
9 used for certain purposes; making stylistic and technical changes; and generally
10 relating to the transfer tax in Howard County.

11 BY repealing and reenacting, with amendments,
12 The Public Local Laws of Howard County
13 Section 20.300(a)
14 Article 14 – Public Local Laws of Maryland
15 (1977 Edition and August 2008 Supplement, as amended)
16 (As enacted by Chapter 138 of the Acts of the General Assembly of 2018)

17 BY repealing and reenacting, with amendments,
18 The Public Local Laws of Howard County
19 Section 20.301 and 20.304
20 Article 14 – Public Local Laws of Maryland
21 (1977 Edition and August 2008 Supplement, as amended)
22 (As enacted by Chapter 311 of the Acts of the General Assembly of 2019)

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

3 **Article 14 – Howard County**

4 20.300.

5 (a) (1) Except as provided in subsection (b) of this section, a tax is hereby
6 imposed upon every instrument of writing conveying title to real or leasehold property
7 offered for a record and recorded in Howard County with the clerk of the circuit court, for
8 all or only that portion of such property described in such instrument which is actually
9 located in Howard County, provided that **THE FOLLOWING SHALL NOT BE SUBJECT TO**
10 **THE TAX IMPOSED BY THIS SECTION:**

11 (I) conveyances to the state or to any agency or instrumentality
12 thereof, or any political subdivision of the state, or any nonprofit hospital or religious or
13 charitable organization, association or corporation[, shall not be subject to the tax imposed
14 by this section]; **AND**

15 (II) **CONVEYANCES OF MODERATE INCOME HOUSING UNITS.**

16 (2) The term “instrument of writing,” as used in this section shall be
17 deemed to include any deed, lease, assignment of leasehold property or any other device
18 the purpose of which is to convey title to real property, but shall not include any mortgage,
19 deed of trust, conditional sales contract or any other device the purpose of which is to afford
20 a security in real property rather than to convey title thereto.

21 20.301.

22 (A) [The] **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE**
23 tax imposed by this [section] **SUBTITLE** shall be levied at the rate of one percent of the
24 actual consideration paid or to be paid for the conveyance of title and shall be collected by
25 the Director of Finance before the Clerk of the Circuit Court may accept an instrument of
26 writing for recordation.

27 (B) **THE GOVERNING BODY OF HOWARD COUNTY ~~COUNCIL~~ MAY, BY LAW**
28 **RESOLUTION, INCREASE THE RATE OF THE TRANSFER TAX ESTABLISHED UNDER**
29 **SUBSECTION (A) OF THIS SECTION TO SUPPORT THE PUBLIC PURPOSES SPECIFIED**
30 **IN § 20.304(B) OF THIS SUBTITLE.**

31 20.304.

32 (A) The [director] **DIRECTOR** of [finance] **FINANCE** shall collect and distribute
33 transfer tax proceeds **ATTRIBUTABLE TO THE RATE OF THE TRANSFER TAX IMPOSED**
34 **UNDER § 20.301(A) OF THIS SUBTITLE** in the following manner:

1 **(1)** 25% in a special fund known as “The School Site Acquisition and
2 Construction Fund,” and disbursements from this fund shall be made only for the purposes
3 set forth in section 9.102 of the Howard County Code;

4 **(2)** 25% in a special fund known as “The Park Land Watershed Facilities
5 Fund,” and disbursements from this fund shall be made only for the purposes set forth in
6 section 19.100 of the Howard County Code; and

7 **(3)** the remainder in the general fund of the county, with the stipulation
8 that the county council shall budget this remainder as follows:

9 **(I)** 50% plus the interest thereon for the Howard County
10 Agricultural Land Preservation Fund;

11 **(II)** 25% for community improvement and housing programs
12 primarily serving low income individuals and families and the homeless and for urban
13 renewal; and

14 **(III)** 25% for the acquisition or leasing of land for new fire house sites
15 and training facilities and the construction and maintenance of fire house and training
16 facilities, the acquisition and maintenance of fire equipment, and supplementation of
17 financial needs of fire companies.

18 **(B) THE DIRECTOR OF FINANCE SHALL COLLECT ANY PROCEEDS**
19 **ATTRIBUTABLE TO AN INCREASE IN THE TRANSFER TAX RATE AUTHORIZED UNDER**
20 **§ 20.301(B) OF THIS SUBTITLE AND DISTRIBUTE THE PROCEEDS TO THE GENERAL**
21 **FUND OF THE COUNTY TO BE USED IN THE FOLLOWING MANNER:**

22 **(1) 25% FOR CAPITAL PROJECTS FOR THE HOWARD COUNTY PUBLIC**
23 **SCHOOL SYSTEM;**

24 **(2) 25% FOR CAPITAL PROJECTS FOR THE DEPARTMENT OF**
25 **RECREATION AND PARKS;**

26 **(3) 25% FOR COMMUNITY IMPROVEMENT AND HOUSING PROGRAMS**
27 **PRIMARILY SERVING LOW INCOME INDIVIDUALS AND FAMILIES AND THE HOMELESS**
28 **AND FOR URBAN RENEWAL; AND**

29 **(4) 25% FOR THE ACQUISITION OR LEASING OF LAND FOR NEW FIRE**
30 **HOUSE SITES AND TRAINING FACILITIES AND THE CONSTRUCTION AND**
31 **MAINTENANCE OF FIRE HOUSE AND TRAINING FACILITIES, THE ACQUISITION AND**
32 **MAINTENANCE OF FIRE EQUIPMENT, AND SUPPLEMENTATION OF FINANCIAL NEEDS**
33 **OF FIRE COMPANIES.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.