SENATE BILL 539

Q22lr1901 **CF HB 635** By: Senators Elfreth and Beidle Introduced and read first time: January 28, 2022 Assigned to: Budget and Taxation Committee Report: Favorable with amendments Senate action: Adopted Read second time: February 21, 2022 CHAPTER 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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

1

2

3

4 5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21 - 306.

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



$\frac{1}{2}$	(a) The County Council of Anne Arundel County may impose a direct tax or property in a shore erosion control district to:
3 4 5	(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
6 7	(2) pay for maintenance, repair, and reconstruction of erosion control projects.
8	(b) A tax under this section [shall]:
9 10	(1) SHALL be imposed and collected as county taxes are imposed and collected; [and]
11 12	(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
13 14	(3) MAY NOT APPLY TO PROPERTY THAT IS EXEMPT FROM TAXATION UNDER TITLE 7, SUBTITLE 2 OF THE TAX – PROPERTY ARTICLE.
15	21-519.
16	A law enacted by Anne Arundel County under this subtitle:
17 18	(1) shall specify the type of infrastructure and related costs that may be financed;
19	(2) shall require:
20 21 22	(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
23 24	(ii) that, if a seller fails to provide the disclosure, the buyer may void the contract before the date of settlement;
25	(3) shall require adequate debt service reserve funds to be maintained;
26	(4) may provide:
27	
41	(i) for exemptions, deferrals, and credits; and

1	(5) may not allow:
2	(i) acceleration of assessments or taxes by reason of bond default; or
3	(ii) an increase in the maximum special assessments, special taxes,
4	or other fees or charges applicable to any individual property if other property owners
5	become delinquent in paying a special assessment, a special tax, or any other fee or charge
6	securing bonds issued under this subtitle; AND
7	(6) MAY NOT APPLY SPECIAL ASSESSMENTS, SPECIAL TAXES, OR
8	OTHER FEES OR CHARGES TO PROPERTY THAT IS EXEMPT FROM TAXATION UNDER
9	TITLE 7, SUBTITLE 2 OF THE TAX - PROPERTY ARTICLE.
0	Article - Natural Resources
1	8–708.
12 13 14	(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:
15	(i) Means of appropriations from general funds; or
16 17	(ii) Levying a special assessment or tax against each property owner whose property lies within the district.
18 19	(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.
20	(3) ANY SPECIAL ASSESSMENT OR TAX LEVIED BY ANNE ARUNDEL
21	COUNTY UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION MAY NOT APPLY TO
22	PROPERTY THAT IS EXEMPT FROM TAXATION UNDER TITLE 7, SUBTITLE 2 OF THE
23	TAX - PROPERTY ARTICLE.
24	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
25	1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.