

**CITY OF BALTIMORE
COUNCIL BILL 05-0234
(First Reader)**

Introduced by: Councilmembers Mitchell, Conaway, Kraft, Harris, D’Adamo, Young, Welch,
Holton, Clarke, Curran, Branch, Reisinger

Introduced and read first time: July 11, 2005

Assigned to: Taxation and Finance Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Transfer Tax – Partial Exemption**

3 FOR the purpose of establishing a partial exemption from the local transfer tax for certain
4 residential properties; specifying how the exemption is to be allocated between the buyer and
5 seller; providing for a special effective date; and generally relating to the local transfer tax.

6 BY adding

7 Article 28 - Taxes
8 Section(s) 17-2(d)
9 Baltimore City Code
10 (Edition 2000)

11 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
12 Laws of Baltimore City read as follows:

13 **Baltimore City Code**

14 **Article 28. Taxes**

15 **Subtitle 17. Transfer Tax**

16 **§ 17-2. Tax imposed – in general.**

17 (D) *PARTIAL EXEMPTION FOR OWNER-OCCUPIED RESIDENCE.*

18 (1) *IN GENERAL.*

19 THE TAX IMPOSED BY THIS SUBTITLE DOES NOT APPLY TO THE FIRST \$22,000 OF THE
20 CONSIDERATION PAYABLE ON THE CONVEYANCE OF OWNER-OCCUPIED RESIDENTIAL
21 PROPERTY IF THE INSTRUMENT IN WRITING IS ACCOMPANIED BY A STATEMENT, SIGNED
22 UNDER OATH BY THE BUYER, THAT THE BUYER WILL USE THE PROPERTY AS THE

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

1 BUYER'S PRINCIPAL RESIDENCE BY ACTUALLY OCCUPYING THE PROPERTY FOR AT
2 LEAST 7 MONTHS OF THE 12-MONTH PERIOD IMMEDIATELY FOLLOWING THE
3 CONVEYANCE.

4 (2) *APPLICATION.*

5 (i) EXCEPT AS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE BUYER
6 SHALL RECEIVE THE ENTIRE EXEMPTION PROVIDED BY THIS SUBSECTION (D),
7 IRRESPECTIVE OF (A) ANY CONTRACTUAL PROVISIONS CONCERNING THE DIVISION
8 OF TAXES BETWEEN THE BUYER AND THE SELLER AND (B) THE PRESUMPTION
9 UNDER STATE REAL PROPERTY ARTICLE § 14-104(B) {"DIVISION OF ... TAX:
10 PRESUMPTION"}.

11 (ii) THE SELLER SHALL RECEIVE THE ENTIRE EXEMPTION PROVIDED BY THIS
12 SUBSECTION (D) IF (A) THE SELLER HAS AGREED BY CONTRACT TO PAY THE
13 ENTIRE AMOUNT OF THE TAX IMPOSED BY THIS SUBTITLE OR (B) THE
14 SELLER IS RESPONSIBLE FOR PAYING THE ENTIRE AMOUNT OF THE TAX
15 UNDER STATE REAL PROPERTY ARTICLE § 14-104(C) {"DIVISION OF ...
16 TAX: FIRST-TIME MARYLAND HOME-BUYERS"}.

17 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
18 are not law and may not be considered to have been enacted as a part of this or any prior
19 Ordinance.

20 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect September 1,
21 2005, as to any instrument conveying title or securing a debt that contains a notary
22 acknowledgment dated on or after September 1, 2005, and is presented for recordation on or
23 after September 1, 2005.