

**CITY OF BALTIMORE
COUNCIL BILL 12-0149
(First Reader)**

Introduced by: The Council President

At the request of: The Administration (Law Department)

Introduced and read first time: September 24, 2012

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and Community Development, Department of Finance

A BILL ENTITLED

1 AN ORDINANCE concerning

2 style="text-align:center">**Recordation Tax – Stepped Rates**

3 FOR the purpose of establishing stepped rates for calculating the recordation tax on instruments
4 conveying title to property; correcting, clarifying, and conforming related provisions;
5 providing for a special effective date; and generally relating to recordation tax rates.

6 BY authority of

7 Article - Tax-Property

8 Section(s) 12-103(b)

9 Annotated Code of Maryland

10 BY repealing and reordaining, with amendments

11 Article 28 - Taxes

12 Section(s) 16-1

13 Baltimore City Code

14 (Edition 2000)

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

17 style="text-align:center">**Baltimore City Code**

18 style="text-align:center">**Article 28. Taxes**

19 style="text-align:center">**Subtitle 16. Recordation Tax**

20 **§ 16-1. Tax imposed.**

21 (A) *IN GENERAL.*

22 Pursuant to State Tax-Property Article § 12-103(b), the rate of tax applicable to
23 instruments recorded with the Clerk of the Circuit Court for Baltimore City is[:] AS
24 PROVIDED IN THIS SECTION.

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

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1 [(1) in the case of instruments conveying title to property, \$5 for each \$500 or
2 fractional part of \$500 of the actual consideration paid or to be paid; and]

3 (B) *INSTRUMENTS SECURING DEBT.*

4 [(2) in the case of instruments] FOR AN INSTRUMENT securing a debt, THE RECORDATION
5 TAX RATE IS \$5 for each \$500 or [fractional part] FRACTION of \$500 of the principal
6 amount of the debt secured.

7 (C) *INSTRUMENTS CONVEYING TITLE – IN GENERAL.*

8 EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (D) OF THIS SECTION, FOR AN
9 INSTRUMENT CONVEYING TITLE TO PROPERTY, THE RECORDATION TAX RATE IS \$5 FOR
10 EACH \$500 OR FRACTION OF \$500 OF THE ACTUAL CONSIDERATION PAID OR TO BE PAID.

11 (D) *INSTRUMENTS CONVEYING TITLE – FORECLOSURE OF MORTGAGE, ETC.*

12 (1) FOR AN INSTRUMENT CONVEYING TITLE TO PROPERTY PURCHASED AT A MORTGAGE OR
13 DEED OF TRUST FORECLOSURE SALE, THE RECORDATION TAX RATE IS AS FOLLOWS,
14 SUBJECT TO THE MODIFICATIONS IN PARAGRAPHS (2), (3), AND (4) OF THIS
15 SUBSECTION:

16 (I) IF THE INSTRUMENT IS RECORDED WITHIN 60 DAYS AFTER ENTRY OF THE COURT
17 ORDER RATIFYING THE SALE, THE RATE IS \$5 FOR EACH \$500 OR FRACTION OF
18 \$500 OF THE ACTUAL CONSIDERATION PAID OR TO BE PAID;

19 (II) IF THE INSTRUMENT IS RECORDED 61 TO 180 DAYS AFTER ENTRY OF THE COURT
20 ORDER RATIFYING THE SALE, THE RATE IS \$10 FOR EACH \$500 OR FRACTION OF
21 \$500 OF THE ACTUAL CONSIDERATION PAID OR TO BE PAID; AND

22 (III) IF THE INSTRUMENT IS RECORDED 181 DAYS OR MORE AFTER ENTRY OF THE
23 COURT ORDER RATIFYING THE SALE, THE RATE IS \$20 FOR EACH \$500 OR
24 FRACTION OF \$500 OF THE ACTUAL CONSIDERATION PAID OR TO BE PAID.

25 (2) IF, AFTER ENTRY OF THE COURT ORDER RATIFYING THE SALE, A MOTION OR APPEAL
26 THAT COULD RESULT IN THE RATIFICATION ORDER BEING NULLIFIED OR REVERSED IS
27 TIMELY FILED, THEN THE TIME PERIODS APPLICABLE TO THE STEPPED RECORDATION
28 TAX RATES ARE ALTERED AS FOLLOWS:

29 (I) IF THE INSTRUMENT IS RECORDED WITHIN 30 DAYS AFTER THE ENTRY OF A
30 FINAL ORDER ON THE MOTION OR APPEAL, THE RATE IS AS SPECIFIED IN
31 PARAGRAPH (1)(I) OF THIS SUBSECTION;

32 (II) IF THE INSTRUMENT IS RECORDED 31 TO 150 DAYS AFTER THE ENTRY OF A
33 FINAL ORDER ON THE MOTION OR APPEAL, THE RATE IS AS SPECIFIED IN
34 PARAGRAPH (1)(II) OF THIS SUBSECTION; AND

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1 (III) IF THE INSTRUMENT IS RECORDED 151 DAYS OR MORE AFTER THE ENTRY OF A
2 FINAL ORDER ON THE MOTION OR APPEAL, THE RATE IS AS SPECIFIED IN
3 PARAGRAPH (1)(III) OF THIS SUBSECTION.

4 (3) IF, AFTER ENTRY OF THE COURT ORDER RATIFYING THE SALE, THE SALE OR THE
5 ABILITY TO RECORD A DEED AFTER THE SALE IS SUBJECT TO A BANKRUPTCY STAY OR
6 TO AN UNEXPIRED RIGHT OF REDEMPTION IN FAVOR OF THE FEDERAL GOVERNMENT,
7 THEN THE TIME PERIODS APPLICABLE TO THE STEPPED RECORDATION TAX RATES ARE
8 ALTERED AS FOLLOWS:

9 (I) IF THE INSTRUMENT IS RECORDED WITHIN 30 DAYS AFTER THE ENTRY OF AN
10 ORDER LIFTING THE STAY OR AFTER THE RIGHT OF REDEMPTION HAS EXPIRED,
11 BEEN RELEASED, OR BEEN EXERCISED, THE RATE IS AS SPECIFIED IN
12 PARAGRAPH (1)(I) OF THIS SUBSECTION;

13 (II) IF THE INSTRUMENT IS RECORDED 31 TO 150 DAYS AFTER THE ENTRY OF AN
14 ORDER LIFTING THE STAY OR AFTER THE RIGHT OF REDEMPTION HAS EXPIRED,
15 BEEN RELEASED, OR BEEN EXERCISED, THE RATE IS AS SPECIFIED IN PARAGRAPH
16 (1)(II) OF THIS SUBSECTION; AND

17 (III) IF THE INSTRUMENT IS RECORDED 151 DAYS OR MORE AFTER THE ENTRY OF AN
18 ORDER LIFTING THE STAY OR AFTER THE RIGHT OF REDEMPTION HAS EXPIRED,
19 HAS BEEN RELEASED, OR HAS BEEN EXERCISED, THE RATE IS AS SPECIFIED IN
20 PARAGRAPH (1)(III) OF THIS SUBSECTION.

21 (4) IF, AFTER ENTRY OF THE COURT ORDER RATIFYING THE SALE, A MOTION OR APPEAL
22 THAT COULD RESULT IN THE RATIFICATION ORDER BEING NULLIFIED OR REVERSED IS
23 TIMELY FILED AND THE SALE OR THE ABILITY TO RECORD A DEED AFTER THE SALE IS
24 SUBJECT TO A BANKRUPTCY STAY OR TO AN UNEXPIRED RIGHT OF REDEMPTION IN
25 FAVOR OF THE FEDERAL GOVERNMENT, THEN THE TIME PERIODS SET FORTH IN
26 PARAGRAPHS (2) AND (3) OF THIS SUBSECTION BEGIN TO RUN ON THE LAST TO OCCUR
27 OF THE EVENTS DESCRIBED IN THOSE PARAGRAPHS.

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

31 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 120th
32 day after the date it is enacted.