

**CITY OF BALTIMORE
COUNCIL BILL 06-0414
(First Reader)**

Introduced by: Councilmembers Mitchell, Conaway

Introduced and read first time: April 24, 2006

Assigned to: Taxation and Finance Committee

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

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Transfer Tax – Transfers Between Spouses**

3 FOR the purpose of exempting from the local transfer tax transfers between spouses or former
4 spouses; correcting, clarifying, and conforming certain language; and generally relating to
5 the imposition and collection of the local transfer tax.

6 BY repealing and reordaining, with amendments

7 Article 28 - Taxes

8 Section(s) 17-8

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 **§ 17-8. Exemptions.**

17 The tax levied and imposed by this subtitle [shall] DOES not apply to the following:

18 (1) where the taxable basis is less than \$100;

19 (2) transfers by way of mortgage securing a debt;

20 (3) transfers by way of bona fide gift or without any consideration;

21 (4) transfers to the United States, the State of Maryland, or any political subdivision
22 thereof, or the Mayor and City Council of Baltimore, or any instrumentality or agency
23 of said respective bodies politic;

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

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- 1 (5) transfers by the Housing Authority of Baltimore City to transferees who, in
2 connection with such transfers, grant mortgages which are insured by the Federal
3 Housing Administration or by the U.S. Department of Housing and Urban
4 Development pursuant to Section 235 of the National Housing Act or successor
5 program of the National Housing Act (12 U.S.C. §1701 et seq.), as amended from
6 time to time;
- 7 (6) transfers of property which in the hands of the transferee, immediately after such
8 transfer, shall be entitled to exemption from taxation pursuant to Article 81, § 9 of the
9 Annotated Code of Maryland (1957) {*cf. Tax-Property Article, Title 7, Subtitle 1*};
- 10 (7) a transfer to a mortgagee when the instrument intending to effect such transfer is
11 presented for recording simultaneously with a deed from such mortgagee to the
12 federal or state government or any instrumentality, agency, or political subdivision
13 thereof;
- 14 (8) a transfer made for the partitioning in kind between joint owners or undivided
15 interests, provided there is no consideration paid or to be paid in connection with
16 such transfers other than the division of the jointly-owned property;
- 17 (9) a transfer under the last will and testament of a decedent, or a transfer to the heirs or
18 next of kin of a decedent under the law of descent and distribution of the State of
19 Maryland;
- 20 (10) a transfer made expressly for the purpose of confirming or correcting a transfer
21 previously made, if there is no taxable basis in excess of \$100 for such transfer;
- 22 (11) TRANSFERS BETWEEN SPOUSES OR FORMER SPOUSES; or
- 23 (12) [(11)] a transfer made expressly for any of the following purposes:
 - 24 (i) the transfer of title to real property between a subsidiary corporation and its
25 parent corporation for no consideration, for nominal consideration, or in sole
26 consideration of the issue or cancellation or surrender of a subsidiary's stock;
 - 27 (ii) the transfer of title to real property between 2 or more subsidiary corporations
28 wholly owned by the same parent corporation for no consideration, for
29 nominal consideration, or in sole consideration of the issue or the cancellation
30 or surrender of a subsidiary's stock; or
 - 31 (iii) deed made pursuant to reorganizations within the meaning of § 368(a), or in
32 accordance with §§ 371 to 374, inclusive, of the Internal Revenue Code of the
33 United States duly accepted for filing by the State Department of Assessments
34 and Taxation.

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

38 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
39 after the date it is enacted.