

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2017 Legislative Session

Bill No. CB-11-2017

Chapter No. _____

Proposed and Presented by Council Member Franklin

Introduced by _____

Co-Sponsors _____

Date of Introduction _____

BILL

1 AN ACT concerning

2 Transfer and Recordation Taxes for Foreclosed Properties

3 For the purpose of requiring prompt payment of transfer and recordation taxes for residential
4 properties sold in foreclosure.

5 BY repealing and reenacting with amendments:

6 SUBTITLE 10. FINANCE AND TAXATION.

7 Section 10-192,

8 The Prince George's County Code

9 (2015 Edition; 2016 Supplement).

10 BY adding:

11 SUBTITLE 10. FINANCE AND TAXATION.

12 Section 10-191.01,

13 The Prince George's County Code

14 (2015 Edition; 2016 Supplement).

15 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
16 Maryland, that Section 10-192 of the Prince George's County Code be and the same is hereby
17 repealed and reenacted with the following amendments:

18 **SUBTITLE 10. FINANCE AND TAXATION.**

19 **DIVISION 7. TAXES AND TAX CREDITS.**

20 **SUBDIVISION 1. TRANSFER AND RECORDATION TAXES.**

21 **Sec. 10-192. Recordation tax; rates.**

1 (a) The recordation tax imposed by Title 12, Tax-Property Article, Annotated Code of
 2 Maryland, on written instruments, shall be at the rate of Two Dollars and Seventy-Five Cents
 3 (\$2.75) for each Five Hundred Dollars (\$500.00) on all instruments of writing subject to the tax.

4 (b) Pursuant to the authority of Section 12-108(a)(2), Tax-Property Article, Annotated Code
 5 of Maryland, the tax is levied on all instruments of writing that secure the repayment of any
 6 indebtedness funded in any part, directly or indirectly, from the proceeds of bonds issued under
 7 Title 5, Article 83A, Annotated Code of Maryland, relating to industrial buildings for counties
 8 and municipalities.

9 (c) The tax imposed shall be paid to and collected by the Director of the Office of Finance
 10 of Prince George's County. Recordation taxes collected under the provisions of Subsection (b)
 11 shall be paid into the "Bus Service Fund," created and operated pursuant to the requirements of
 12 Section 10-255.01.

13 (d) Notwithstanding any other provision of this Subtitle, any recordation taxes for the
 14 foreclosure sale of residential property shall be due and paid in full by the foreclosure purchaser
 15 to the Director of Finance within fifteen (15) calendar days after the legal ratification of the
 16 foreclosure sale of such property. For foreclosure sales of residential property whose legal
 17 ratification occurred prior to the effective date of this Act, recordation taxes for the sale of such
 18 property shall be due and paid in full by the foreclosure purchaser to the Director of Finance
 19 within thirty (30) calendar days after the effective date of this Act, if unpaid. "Foreclosure
 20 purchaser" means the person identified as the purchaser on the report of sale required by
 21 Maryland Rule 14-305 for foreclosure sale of residential property.

22 SECTION 2. BE IT ENACTED by the County Council of Prince George's County,
 23 Maryland, that Section 10-191.01 of the Prince George's County Code be and the same is hereby
 24 added:

25 **SUBTITLE 10. FINANCE AND TAXATION.**

26 **DIVISION 7. TAXES AND TAX CREDITS.**

27 **SUBDIVISION 1. TRANSFER AND RECORDATION TAXES.**

28 **Sec. 10-191.01. Prompt payment of transfer taxes for residential foreclosures.**

29 Notwithstanding any other provision of this Subtitle, any transfer taxes for the foreclosure
 30 sale of residential property shall be due and paid in full by the foreclosure purchaser to the
 31 Director of Finance within fifteen (15) calendar days after the legal ratification of the foreclosure

1 sale of such property. For foreclosure sales of residential property whose legal ratification
2 occurred prior to the effective date of this Act, transfer taxes for the sale of such property shall
3 be due and paid in full by the foreclosure purchaser to the Director of Finance within thirty (30)
4 calendar days after the effective date of this Act, if unpaid. "Foreclosure purchaser" means the
5 person identified as the purchaser on the report of sale required by Maryland Rule 14-305 for
6 foreclosure sale of residential property.

7 SECTION 3. BE IT FURTHER ENACTED that a foreclosure sale of residential property
8 to a foreclosure purchaser constitutes a separate transaction from any subsequent sale of such
9 property. Each transaction by law requires its own payment of transfer and recordation taxes.

10 SECTION 4. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)
11 calendar days after it becomes law.

Adopted this ____ day of _____, 2017.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Rushern L. Baker, III
County Executive

KEY:

Underscoring indicates language added to existing law.
[Brackets] indicate language deleted from existing law.
Asterisks *** indicate intervening existing Code provisions that remain unchanged.