

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

1995 Legislative Session

Bill No. _____ CB-6-1995

Chapter No. _____ 6

Proposed and Presented by Chairwoman MacKinnon (by request - County Executive)

Introduced by Council Members MacKinnon, Estep, Bailey, Russell, Gourline, & Wilson

Co-Sponsors

Date of Introduction _____ April 25, 1995

BILL

AN ACT concerning

Transfer Tax

For the purpose of increasing the transfer tax rate, altering the transfer tax rate from July 1, 1997 through July 1, 2000 and thereafter, and eliminating the first time homebuyer exemption.

BY repealing and reenacting with amendments:

SUBTITLE 10. FINANCE AND TAXATION.

Section 10-188,

The Prince George's County Code

(1991 Edition, 1994 Supplement).

SECTION 1. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Section 10-188 of the Prince George's County Code be and the same is hereby repealed and reenacted with the following amendments:

SUBTITLE 10. FINANCE AND TAXATION.

DIVISION 7. TAXES AND TAX CREDITS.

Subdivision 1. Transfer and Recordation Taxes.

Sec. 10-188. Transfer tax; computation; collection; instrument of writing; deferral or abatement.

(a) A tax is imposed at the rate of [one and one-half percent (1 1/2%)] one and four-tenths percent (1.4%) of actual consideration paid or to be paid under every instrument of writing conveying title to real property, or any interest therein, in the County, offered for

record and recorded in the County; provided, however, that the rate shall be reduced to [one and four-tenths percent (1.4%) beginning July 1, 1994;] one and three-tenths percent (1.3%) beginning July 1, [1995] 1997; one and two-tenths percent (1.2%) beginning July 1, [1996] 1998; one and one-tenth percent (1.1%) beginning July 1, [1997] 1999; and shall be one percent (1%) beginning July 1, [1998] 2000, and thereafter.

[(1) The first Forty Thousand Dollars (\$40,000) of actual consideration payable on the conveyance of residentially improved real property having a total actual consideration payable of One Hundred Twenty Thousand Dollars (\$120,000) or less, or the first Fifty Thousand Dollars (\$50,000) of actual consideration payable on the conveyance of residentially improved real property having a total actual consideration payable of more than One Hundred Twenty Thousand Dollars (\$120,000), but not more than Two Hundred Thousand Dollars (\$200,000), shall be exempt from the tax imposed in Subsection 10-188(a), above, if one or more of the purchasers of such property has not owned residential real property prior to the recordation of the instrument of writing and that one or more of the purchasers will occupy the residence for a period of at least three years. Unless the grantor of residentially improved real property which qualifies for partial exemption from taxation has agreed by contract to pay the entire transfer tax, the partial exemption provided in this Subsection shall be applied against the grantee's transfer tax payment required by this Section.

(2) The exemptions provided for in Subsection 10--188(a)(1), above, shall be reduced to Thirty-two Thousand Dollars (\$32,000) and Forty Thousand Dollars (\$40,000), respectively, on July 1, 1994; to Twenty-four Thousand Dollars (\$24,000) and Thirty Thousand Dollars (\$30,000), respectively, on July 1, 1995; to Sixteen Thousand Dollars (\$16,000) and Twenty Thousand Dollars (\$20,000), respectively, on July 1, 1996; and to Eight Thousand Dollars (\$8,000) and Ten Thousand Dollars (\$10,000), respectively, on July 1, 1997. On July 1, 1998, the exemptions provided for in Subsection 10-188(a)(1), above, shall be repealed.]

[(3)] (1) Conveyances to the State or any agency thereof or any political subdivision of the State shall not be subject to the tax imposed by this Section.

SECTION 2. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45) calendar days after it becomes law.

Adopted this 16th day of May, 1995.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:

Anne T. MacKinnon
Chairwoman

ATTEST:

Joyce T. Sweeney
Clerk of the Council

APPROVED:

DATE: _____

BY:

Wayne K. Curry
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.