

HOUSE BILL 296

Q1

5lr2312

By: **Delegate Charkoudian**

Introduced and read first time: January 9, 2025

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 26, 2025

CHAPTER _____

1 AN ACT concerning

2 **Personal Property Tax – ~~Exemption~~ Exemptions for Low Assessments –**
3 **Alteration**

4 FOR the purpose of altering ~~an exemption~~ exemptions from the personal property tax for
5 business personal property that has a total original cost below a certain amount by
6 repealing ~~a provision~~ provisions of law that ~~prohibits~~ prohibit the State Department
7 of Assessments and Taxation from collecting information or requiring the submission
8 of a personal property tax return from certain businesses that qualify for the
9 ~~exemption~~ exemptions; and generally relating to exemptions from the personal
10 property tax.

11 BY repealing and reenacting, with amendments,
12 Article – Tax – Property
13 Section 7–227(c) and 7–245
14 Annotated Code of Maryland
15 (2019 Replacement Volume and 2024 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Tax – Property**

19 7–227.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



(c) [(1)] Notwithstanding subsection (a) of this section, personal property is not subject to valuation or to property tax if:

[(i)] (1) the personal property is owned by an individual and is used in connection with a business, occupation, or profession that is located at the individual's principal residence; and

[(ii)] (2) the sum total of the personal property, excluding vehicles exempt under § 7-230 of this subtitle, had a total original cost of less than \$20,000.

[(2) If the individual attests to owning a sum total of personal property with an original cost of less than \$20,000, the Department may not:

(i) collect personal property information from the individual; or

(ii) require the individual to submit a personal property tax return.]

7-245.

[(a)] A person's personal property is not subject to valuation or to property tax if all of the person's personal property statewide had a total original cost of less than \$20,000.

[(b) If the person attests to owning a sum total of personal property with an original cost of less than \$20,000, the Department may not:

(1) collect personal property information from the person; or

(2) require the person to submit a personal property tax return.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2025, and shall be applicable to all taxable years beginning after June 30, 2025.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.