

HOUSE BILL 1428

Q6, Q7, N1

5lr1573
CF SB 582

By: **Delegates Boaf0 and Amprey**

Introduced and read first time: February 7, 2025

Assigned to: Environment and Transportation and Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sale of Residential Property – Taxes and Offers to Purchase**
3 **(End Hedge Fund Control of Maryland Homes Act of 2025)**

4 FOR the purpose of imposing an excise tax on the acquisition and excess ownership of
5 certain single-family residences in the State by certain entities; providing for the
6 calculation, collection, and distribution of the excise tax; establishing the Down
7 Payment and Settlement Expense Loan Program Fund as a special, nonlapsing fund;
8 requiring a person who offers certain residential real property for sale to a third
9 party, during a certain period of time, to accept an offer to purchase the property
10 made only by certain persons; altering the rate of the State transfer tax payable for
11 an instrument of writing for a sale of certain residential real property under certain
12 circumstances; and generally relating to sales of residential real property, an excise
13 tax on the acquisition and excess ownership of single-family residences, and the
14 State transfer tax.

15 BY repealing and reenacting, without amendments,
16 Article – Housing and Community Development
17 Section 4–302 and 4–303
18 Annotated Code of Maryland
19 (2019 Replacement Volume and 2024 Supplement)

20 BY adding to
21 Article – Housing and Community Development
22 Section 4–310
23 Annotated Code of Maryland
24 (2019 Replacement Volume and 2024 Supplement)

25 BY adding to
26 Article – Real Property
27 Section 10–804
28 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2023 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 1–101(a)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY adding to
Article – Tax – General
Section 1–101(g–2); 2–4B–01 and 2–4B–02 to be under the new subtitle “Subtitle 4B.
Excess Ownership of Single–Family Residences Excise Tax Revenue
Distribution”; 7.7–101 through 7.7–301 to be under the new title “Title 7.7.
Excess Ownership of Single–Family Residences Excise Tax”; and 13–1001(h)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 1–101(g–2), 2–102(a), 13–201(4), 13–508(a) and (c), 13–509, and 13–1002
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 13–203(a)
Annotated Code of Maryland
(2019 Replacement Volume and 2024 Supplement)

BY adding to
Article – Tax – Property
Section 13–203(c)
Annotated Code of Maryland
(2019 Replacement Volume and 2024 Supplement)

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

Article – Housing and Community Development

4–302.

There is a Down Payment and Settlement Expense Loan Program.

4–303.

1 The purpose of the Program is to provide financing for down payment and settlement
2 expenses to enable eligible homebuyers to purchase homes.

3 **4-310.**

4 **(A) IN THIS SECTION, "PROGRAM FUND" MEANS THE DOWN PAYMENT AND**
5 **SETTLEMENT EXPENSE LOAN PROGRAM FUND.**

6 **(B) THERE IS A DOWN PAYMENT AND SETTLEMENT EXPENSE LOAN**
7 **PROGRAM FUND.**

8 **(C) THE PURPOSE OF THE PROGRAM FUND IS TO SUPPORT THE DOWN**
9 **PAYMENT AND SETTLEMENT EXPENSE LOAN PROGRAM.**

10 **(D) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM FUND.**

11 **(E) (1) THE PROGRAM FUND IS A SPECIAL, NONLAPSING FUND THAT IS**
12 **NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

13 **(2) THE STATE TREASURER SHALL HOLD THE PROGRAM FUND**
14 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE PROGRAM FUND.**

15 **(F) THE PROGRAM FUND CONSISTS OF:**

16 **(1) REVENUE DISTRIBUTED TO THE PROGRAM FUND UNDER §**
17 **2-4B-02 OF THE TAX - GENERAL ARTICLE;**

18 **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE PROGRAM**
19 **FUND; AND**

20 **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
21 **THE BENEFIT OF THE PROGRAM FUND.**

22 **(G) THE PROGRAM FUND MAY BE USED ONLY TO PROVIDE FINANCING FOR**
23 **DOWN PAYMENT AND SETTLEMENT EXPENSES TO ENABLE ELIGIBLE HOMEBUYERS**
24 **TO PURCHASE HOMES.**

25 **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
26 **PROGRAM FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

27 **(2) ANY INTEREST EARNINGS OF THE PROGRAM FUND SHALL BE**
28 **CREDITED TO THE GENERAL FUND OF THE STATE.**

(I) EXPENDITURES FROM THE PROGRAM FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE PROGRAM FUND FOR THE DOWN PAYMENT AND SETTLEMENT EXPENSE LOAN PROGRAM IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THE PROGRAM.

Article – Real Property

10–804.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COMMUNITY DEVELOPMENT ORGANIZATION” HAS THE MEANING STATED IN § 6–201 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

(3) “REAL ESTATE ENTERPRISE” MEANS A BUSINESS THAT:

(I) IS CONDUCTED BY ONE OR MORE INDIVIDUALS;

(II) OWNS REAL PROPERTY, INCLUDING IN A TENANCY BY THE ENTIRETY; AND

(III) IS INVOLVED IN BUYING, SELLING, LEASING, OR MANAGING REAL PROPERTY.

(B) (1) THIS SECTION APPLIES ONLY TO THE SALE OF IMPROVED SINGLE–FAMILY RESIDENTIAL REAL PROPERTY.

(2) THIS SECTION DOES NOT APPLY TO A SALE IN AN ACTION TO FORECLOSE A MORTGAGE, A DEED OF TRUST, OR ANY OTHER LIEN.

(C) DURING THE FIRST 30 DAYS AFTER A PERSON OFFERS A PROPERTY SUBJECT TO THIS SECTION FOR SALE TO A THIRD PARTY, THE PERSON MAY ACCEPT AN OFFER TO PURCHASE THE PROPERTY MADE ONLY BY AN INDIVIDUAL, A COMMUNITY DEVELOPMENT ORGANIZATION, A NONPROFIT ORGANIZATION, OR A REAL ESTATE ENTERPRISE THAT OWNS AN INTEREST IN LESS THAN 3% OF ALL RESIDENTIAL REAL PROPERTY LOCATED WITHIN THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

Article – Tax – General

1 1–101.

2 (a) In this article the following words have the meanings indicated.

3 **(G–2) “EXCESS OWNERSHIP OF SINGLE–FAMILY RESIDENCES EXCISE TAX”**
4 **MEANS THE TAX IMPOSED UNDER TITLE 7.7 OF THIS ARTICLE.**

5 **[(g–2)] (G–3)** (1) “Executive Director” means the Executive Director of the
6 Alcohol, Tobacco, and Cannabis Commission.

7 (2) “Executive Director” includes a deputy, an inspector, or any other
8 individual acting within the scope of the Executive Director’s authority.

9 2–102.

10 (a) In addition to the duties set forth elsewhere in this article and in other articles
11 of the Code, the Comptroller shall administer the laws that relate to:

12 (1) the admissions and amusement tax;

13 (2) the boxing and wrestling tax;

14 (3) the digital advertising gross revenues tax;

15 (4) **THE EXCESS OWNERSHIP OF SINGLE–FAMILY RESIDENCES EXCISE**
16 **TAX;**

17 **(5)** the income tax;

18 **[(5)] (6)** the Maryland estate tax;

19 **[(6)] (7)** the Maryland generation–skipping transfer tax;

20 **[(7)] (8)** the motor carrier tax;

21 **[(8)] (9)** the motor fuel tax;

22 **[(9)] (10)** the sales and use tax; and

23 **[(10)] (11)** the savings and loan association franchise tax.

24 **SUBTITLE 4B. EXCESS OWNERSHIP OF SINGLE–FAMILY RESIDENCES EXCISE TAX**
25 **REVENUE DISTRIBUTION.**

26 **2–4B–01.**

FROM THE EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX REVENUE, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO ADMINISTER THE EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX TO AN ADMINISTRATIVE COST ACCOUNT.

2-4B-02.

AFTER MAKING THE DISTRIBUTION REQUIRED UNDER § 2-4B-01 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE THE REMAINING EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX TO THE DOWN PAYMENT AND SETTLEMENT EXPENSE LOAN PROGRAM FUND ESTABLISHED UNDER § 4-310 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

TITLE 7.7. EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX.

SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.

7.7-101.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “APPLICABLE DATE” MEANS:

(1) FOR AN APPLICABLE TAXPAYER THAT BECOMES A HEDGE FUND TAXPAYER AFTER JULY 1, 2025, THE LAST DAY OF THE TAXABLE YEAR IMMEDIATELY PRECEDING THE TAXABLE YEAR THAT THE APPLICABLE TAXPAYER BECOMES A HEDGE FUND TAXPAYER; AND

(2) FOR ANY OTHER APPLICABLE TAXPAYER, THE LAST DAY OF THE FIRST FULL TAXABLE YEAR ENDING ON OR AFTER JULY 1, 2025.

(C) (1) “APPLICABLE ENTITY” MEANS:

(I) A CORPORATION;

(II) A LIMITED LIABILITY COMPANY;

(III) A PARTNERSHIP; OR

(IV) A REAL ESTATE INVESTMENT TRUST.

(2) “APPLICABLE ENTITY” DOES NOT INCLUDE:

(I) AN ORGANIZATION DESCRIBED UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE AND EXEMPT FROM TAXATION UNDER § 501(A) OF THE INTERNAL REVENUE CODE; OR

(II) AN ORGANIZATION PRIMARILY ENGAGED IN THE CONSTRUCTION OR REHABILITATION OF SINGLE-FAMILY RESIDENCES.

(D) “APPLICABLE SINGLE-FAMILY RESIDENCE” MEANS A SINGLE-FAMILY RESIDENCE ACQUIRED BY AN APPLICABLE TAXPAYER BEFORE JULY 1, 2025.

(E) “APPLICABLE TAXPAYER” MEANS AN APPLICABLE ENTITY THAT:

(1) MANAGES FUNDS POOLED FROM INVESTORS; AND

(2) IS A FIDUCIARY OF THE INVESTORS.

(F) “DISQUALIFIED SALE” MEANS A SALE OR TRANSFER TO:

(1) A CORPORATION OR OTHER ENTITY ENGAGED IN A TRADE OR BUSINESS; OR

(2) AN INDIVIDUAL WHO OWNS ANOTHER SINGLE-FAMILY RESIDENCE AT THE TIME OF THE SALE OR TRANSFER.

(G) “HEDGE FUND TAXPAYER” MEANS AN APPLICABLE TAXPAYER THAT HAS \$50,000,000 OR MORE IN NET VALUE OR ASSETS UNDER MANAGEMENT ON ANY DAY DURING A TAXABLE YEAR.

(H) (1) “SINGLE-FAMILY RESIDENCE” MEANS A RESIDENTIAL PROPERTY CONSISTING OF ONE TO FOUR DWELLING UNITS LOCATED IN THE STATE.

(2) “SINGLE-FAMILY RESIDENCE” DOES NOT INCLUDE:

(I) AN UNOCCUPIED SINGLE-FAMILY RESIDENCE ACQUIRED THROUGH FORECLOSURE;

(II) A SINGLE-FAMILY RESIDENCE THAT IS:

1. NOT RENTED OR LEASED; AND

2. USED AS THE PRINCIPAL RESIDENCE OF ANY PERSON WHO HAS AN OWNERSHIP INTEREST IN THE APPLICABLE TAXPAYER THAT OWNS THE SINGLE-FAMILY RESIDENCE; OR

(III) A SINGLE-FAMILY RESIDENCE CONSTRUCTED, ACQUIRED, OR OPERATED WITH FEDERAL OR STATE FUNDS.

(I) "TAXABLE YEAR" MEANS A CALENDAR YEAR ENDING ON DECEMBER 31. 7.7-102.

(A) (1) AN EXCISE TAX IS IMPOSED ON THE ACQUISITION OF A SINGLE-FAMILY RESIDENCE BY AN APPLICABLE TAXPAYER DURING A TAXABLE YEAR.

(2) THE EXCISE TAX RATE IMPOSED UNDER THIS SUBSECTION IS EQUAL TO 50% OF THE FAIR MARKET VALUE OF THE SINGLE-FAMILY RESIDENCE.

(3) AN APPLICABLE TAXPAYER SHALL BE TREATED AS ACQUIRING A SINGLE-FAMILY RESIDENCE IF THE APPLICABLE TAXPAYER ACQUIRES A MAJORITY OWNERSHIP INTEREST IN THE SINGLE-FAMILY RESIDENCE, REGARDLESS OF THE PERCENTAGE OF THAT OWNERSHIP INTEREST.

(B) (1) AN EXCISE TAX IS IMPOSED ON AN APPLICABLE TAXPAYER THAT FAILS TO SATISFY THE REQUIREMENT UNDER § 7.7-103(A) OF THIS SUBTITLE.

(2) THE EXCISE TAX IMPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS EQUAL TO THE PRODUCT OF:

(I) \$10,000; AND

(II) THE DIFFERENCE BETWEEN:

1. THE NUMBER OF APPLICABLE SINGLE-FAMILY RESIDENCES OWNED BY THE APPLICABLE TAXPAYER AS OF THE LAST DAY OF THE TAXABLE YEAR; AND

2. A. FOR AN APPLICABLE TAXPAYER, THE MAXIMUM NUMBER OF SINGLE-FAMILY RESIDENCES UNDER § 7.7-103(B) OF THIS SUBTITLE; AND

B. FOR A HEDGE FUND TAXPAYER, THE MAXIMUM NUMBER OF SINGLE-FAMILY RESIDENCES UNDER § 7.7-103(C) OF THIS SUBTITLE.

1 **7.7-103.**

2 **(A) (1) AN APPLICABLE TAXPAYER SATISFIES THE REQUIREMENTS OF**
3 **THIS SECTION IF THE NUMBER OF APPLICABLE SINGLE-FAMILY RESIDENCES**
4 **OWNED BY THE APPLICABLE TAXPAYER AS OF THE LAST DAY OF THE TAXABLE YEAR**
5 **IS EQUAL TO OR LESS THAN THE MAXIMUM NUMBER PERMISSIBLE UNDER**
6 **SUBSECTION (B) OR (C) OF THIS SECTION.**

7 **(2) A SINGLE-FAMILY RESIDENCE THAT IS SOLD OR TRANSFERRED IN**
8 **A DISQUALIFIED SALE DURING THE TAXABLE YEAR IS TREATED AS A SINGLE-FAMILY**
9 **RESIDENCE OWNED BY THE APPLICABLE TAXPAYER AS OF THE LAST DAY OF THE**
10 **TAXABLE YEAR.**

11 **(3) AN APPLICABLE TAXPAYER SHALL BE TREATED AS OWNING A**
12 **SINGLE-FAMILY RESIDENCE IF THE APPLICABLE TAXPAYER OWNS A MAJORITY**
13 **OWNERSHIP INTEREST IN THE SINGLE-FAMILY RESIDENCE, REGARDLESS OF THE**
14 **PERCENTAGE OF THAT OWNERSHIP INTEREST.**

15 **(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, FOR ANY**
16 **TAXABLE YEAR, THE MAXIMUM NUMBER OF SINGLE-FAMILY RESIDENCES THAT AN**
17 **APPLICABLE TAXPAYER MAY OWN IS:**

18 **(1) FOR THE FIRST FULL TAXABLE YEAR BEGINNING AFTER THE**
19 **APPLICABLE DATE, 25 PLUS 80% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
20 **RESIDENCES OWNED BY THE APPLICABLE TAXPAYER ON THE APPLICABLE DATE;**

21 **(2) FOR THE SECOND FULL TAXABLE YEAR BEGINNING AFTER THE**
22 **APPLICABLE DATE, 25 PLUS 60% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
23 **RESIDENCES OWNED BY THE APPLICABLE TAXPAYER ON THE APPLICABLE DATE;**

24 **(3) FOR THE THIRD FULL TAXABLE YEAR BEGINNING AFTER THE**
25 **APPLICABLE DATE, 25 PLUS 40% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
26 **RESIDENCES OWNED BY THE APPLICABLE TAXPAYER ON THE APPLICABLE DATE;**

27 **(4) FOR THE FOURTH FULL TAXABLE YEAR BEGINNING AFTER THE**
28 **APPLICABLE DATE, 25 PLUS 20% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
29 **RESIDENCES OWNED BY THE APPLICABLE TAXPAYER ON THE APPLICABLE DATE;**
30 **AND**

31 **(5) FOR ANY TAXABLE YEAR BEGINNING MORE THAN 4 YEARS AFTER**
32 **THE APPLICABLE DATE, 25.**

1 **(C) THE MAXIMUM NUMBER OF SINGLE-FAMILY RESIDENCES THAT A**
2 **HEDGE FUND TAXPAYER MAY OWN IS:**

3 **(1) FOR THE FIRST FULL TAXABLE YEAR BEGINNING AFTER THE**
4 **APPLICABLE DATE, 80% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
5 **RESIDENCES OWNED BY THE HEDGE FUND TAXPAYER ON THE APPLICABLE DATE;**

6 **(2) FOR THE SECOND FULL TAXABLE YEAR BEGINNING AFTER THE**
7 **APPLICABLE DATE, 60% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
8 **RESIDENCES OWNED BY THE HEDGE FUND TAXPAYER ON THE APPLICABLE DATE;**

9 **(3) FOR THE THIRD FULL TAXABLE YEAR BEGINNING AFTER THE**
10 **APPLICABLE DATE, 40% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
11 **RESIDENCES OWNED BY THE HEDGE FUND TAXPAYER ON THE APPLICABLE DATE;**

12 **(4) FOR THE FOURTH FULL TAXABLE YEAR BEGINNING AFTER THE**
13 **APPLICABLE DATE, 20% OF THE NUMBER OF APPLICABLE SINGLE-FAMILY**
14 **RESIDENCES OWNED BY THE HEDGE FUND TAXPAYER ON THE APPLICABLE DATE;**
15 **AND**

16 **(5) FOR ANY TAXABLE YEAR BEGINNING MORE THAN 4 YEARS AFTER**
17 **THE APPLICABLE DATE, 0.**

18 **7.7-104.**

19 **THE COMPTROLLER SHALL ADOPT REGULATIONS TO CARRY OUT THE**
20 **PROVISIONS OF THIS TITLE.**

21 **SUBTITLE 2. RETURNS, REPORTS, AND CERTIFICATIONS.**

22 **7.7-201.**

23 **(A) AN APPLICABLE TAXPAYER SHALL COMPLETE, UNDER OATH, AND FILE**
24 **WITH THE COMPTROLLER AN EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES**
25 **EXCISE TAX RETURN, REPORT, AND CERTIFICATION FOR EACH TAXABLE YEAR.**

26 **(B) (1) THE COMPTROLLER SHALL REQUIRE AN APPLICABLE TAXPAYER**
27 **TO REPORT WITH THE RETURN REQUIRED UNDER SUBSECTION (A) OF THIS SECTION**
28 **THE INFORMATION THAT THE COMPTROLLER DETERMINES IS NECESSARY TO**
29 **CARRY OUT THE PROVISIONS OF THIS TITLE.**

30 **(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS**
31 **SUBSECTION SHALL, AT A MINIMUM, INCLUDE:**

(I) THE DATES ON WHICH SINGLE-FAMILY RESIDENCES OWNED BY AN APPLICABLE TAXPAYER WERE ACQUIRED BY THE APPLICABLE TAXPAYER; AND

(II) WHETHER A PERSON ACQUIRING THE SINGLE-FAMILY RESIDENCE FROM AN APPLICABLE TAXPAYER OWNS ANY OTHER SINGLE-FAMILY RESIDENCE AT THE TIME OF THE ACQUISITION.

(C) (1) IF AN APPLICABLE TAXPAYER SOLD OR TRANSFERRED A SINGLE-FAMILY RESIDENCE DURING THE TAXABLE YEAR, THE APPLICABLE TAXPAYER SHALL INCLUDE WITH THE RETURN REQUIRED UNDER SUBSECTION (A) OF THIS SECTION A CERTIFICATION FROM EACH INDIVIDUAL TO WHOM A SINGLE-FAMILY RESIDENCE IS SOLD OR TRANSFERRED.

(2) THE CERTIFICATION REQUIRED UNDER THIS SUBSECTION SHALL BE SIGNED BY THE PURCHASER OR TRANSFEREE AND STATE THE FOLLOWING:

(I) THE NAME AND ADDRESS OF THE PURCHASER OR TRANSFEREE; AND

(II) THE SALE IS NOT A DISQUALIFIED SALE.

7.7-202.

AN APPLICABLE TAXPAYER REQUIRED TO FILE A RETURN UNDER § 7.7-201 OF THIS SUBTITLE SHALL MAINTAIN RECORDS OF ANY SINGLE-FAMILY RESIDENCE OWNED OR SOLD BY THE APPLICABLE TAXPAYER DURING THE TAXABLE YEAR.

SUBTITLE 3. TAX PAYMENT.

7.7-301.

(A) AN APPLICABLE TAXPAYER REQUIRED TO FILE A RETURN UNDER § 7.7-201 OF THIS TITLE SHALL PAY THE EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX WITH THE RETURN.

(B) IF A CORPORATION, OTHER THAN A NONSTOCK, NONPROFIT CORPORATION, IS REQUIRED TO PAY THE EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX, PERSONAL LIABILITY FOR THE TAX AND INTEREST AND PENALTIES ON THE TAX EXTENDS TO ANY OFFICER OF THE CORPORATION WHO EXERCISES DIRECT CONTROL OVER ITS FISCAL MANAGEMENT.

(C) IF A LIMITED LIABILITY COMPANY, OR LIMITED LIABILITY PARTNERSHIP, INCLUDING A LIMITED PARTNERSHIP REGISTERED AS A LIMITED LIABILITY LIMITED PARTNERSHIP, IS REQUIRED TO PAY THE EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX, PERSONAL LIABILITY FOR THE TAX AND INTEREST AND PENALTIES ON THE TAX EXTENDS TO ANY PERSON WHO EXERCISES DIRECT CONTROL OVER THE FISCAL MANAGEMENT OF THE LIMITED LIABILITY COMPANY OR LIMITED LIABILITY PARTNERSHIP.

13–201.

In this subtitle, “tax information” means:

- (4) any information contained in:
- (i) an admissions and amusement tax return;
 - (ii) an alcoholic beverage tax return;
 - (iii) a bay restoration fee return;
 - (iv) a boxing and wrestling tax return;
 - (v) a digital advertising gross revenues tax return;
 - (vi) an E–9–1–1 fee return;
 - (vii) **AN EXCESS OWNERSHIP OF SINGLE-FAMILY RESIDENCES EXCISE TAX RETURN;**
- (VIII) a financial institution franchise tax return;
- [(viii)] **(IX)** an inheritance tax return;
- [(ix)] **(X)** a Maryland estate tax return;
- [(x)] **(XI)** a motor carrier tax return;
- [(xi)] **(XII)** a motor fuel tax return;
- [(xii)] **(XIII)** an other tobacco products tax return;
- [(xiii)] **(XIV)** a public service company franchise tax return;
- [(xiv)] **(XV)** a sales and use tax return;

1 [(xv)] **(XVI)** a savings and loan association franchise tax return;

2 [(xvi)] **(XVII)** a tire recycling fee return;

3 [(xvii)] **(XVIII)** a tobacco tax return; or

4 [(xviii)] **(XIX)** a transportation services assessment return.

5 13–508.

6 (a) Within 30 days after the date on which a notice of assessment of the
7 admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax, income
8 tax, motor carrier tax, motor fuel tax, public service company franchise tax, **EXCESS**
9 **OWNERSHIP OF SINGLE–FAMILY RESIDENCES EXCISE TAX**, financial institution
10 franchise tax, sales and use tax, or tobacco tax is mailed, a person or governmental unit
11 against which the assessment is made may submit to the tax collector:

12 (1) an application for revision of the assessment; or

13 (2) except for the public service company franchise tax, if the assessment
14 is paid, a claim for refund.

15 (c) The Comptroller or an employee of the Comptroller’s office expressly
16 designated by the Comptroller promptly:

17 (1) (i) shall hold an informal hearing on a person’s or governmental
18 unit’s admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax,
19 **EXCESS OWNERSHIP OF SINGLE–FAMILY RESIDENCES EXCISE TAX**, income tax, motor
20 carrier tax, motor fuel tax, sales and use tax, or tobacco tax application for revision or claim
21 for refund under subsection (a) of this section; and

22 (ii) after the hearing:

23 1. shall act on the application for revision; and

24 2. may assess any additional tax, penalty, and interest due;

25 and

26 (2) shall mail to the person or governmental unit a notice of final
27 determination.

28 13–509.

29 (a) Notwithstanding a person’s failure to file a timely application for revision or
30 claim for refund of an assessment of the admissions and amusement tax, alcoholic beverage
31 tax, boxing and wrestling tax, **EXCESS OWNERSHIP OF SINGLE–FAMILY RESIDENCES**

1 **EXCISE TAX**, income tax, motor carrier tax, motor fuel tax, sales and use tax, or tobacco
2 tax under § 13–508(a) of this subtitle, the Comptroller or the Comptroller’s designee may
3 issue an order decreasing or abating an assessment to correct an erroneous assessment.

4 (b) If action is taken under subsection (a) of this section, the order shall state
5 clearly the reasons for decreasing or abating the assessment.

6 (c) Any order issued by the Comptroller under subsection (a) of this section shall
7 be final and not subject to appeal.

8 (d) The Comptroller’s refusal to enter an order under subsection (a) of this section
9 shall be final and not subject to appeal.

10 13–1001.

11 **(H) A PERSON WHO IS REQUIRED TO FILE AN EXCESS OWNERSHIP OF**
12 **SINGLE–FAMILY RESIDENCES EXCISE TAX RETURN AND WHO WILLFULLY FAILS TO**
13 **FILE THE RETURN AS REQUIRED UNDER TITLE 7.7 OF THIS ARTICLE IS GUILTY OF A**
14 **MISDEMEANOR AND, ON CONVICTION, IS SUBJECT TO A FINE NOT EXCEEDING \$5,000**
15 **OR IMPRISONMENT NOT EXCEEDING 5 YEARS OR BOTH.**

16 13–1002.

17 (a) A person who willfully files a false alcoholic beverage tax return is guilty of
18 perjury and, on conviction, is subject to the penalty for perjury.

19 (b) A person, including an officer of a corporation, who willfully files a false digital
20 advertising gross revenues tax return, a false financial institution franchise tax return, a
21 false public service company franchise tax return, or a false income tax return with the
22 intent to evade the payment of tax due under this article is guilty of perjury and, on
23 conviction, is subject to the penalty for perjury.

24 (c) Subsections (a) and (b) of this section apply to the alcoholic beverage, digital
25 advertising gross revenues, **EXCESS OWNERSHIP OF SINGLE–FAMILY RESIDENCES**
26 **EXCISE**, financial institution franchise, public service company franchise, and income
27 taxes.

28 Article – Tax – Property

29 13–203.

30 (a) (1) Except as provided in subsections (a–1) [and], (b), AND (C) of this
31 section, the rate of the transfer tax is 0.5% of the consideration payable for the instrument
32 of writing.

33 (2) The consideration:

(i) includes the amount of any mortgage or deed of trust assumed by the grantee; and

(ii) subject to item (i) of this paragraph, includes only the amount paid or delivered in return for the sale of the property and does not include the amount of any debt forgiven or no longer secured by a mortgage or deed of trust on the property.

(C) (1) IN THIS SUBSECTION, “REAL ESTATE ENTERPRISE” MEANS A BUSINESS THAT:

(I) IS CONDUCTED BY ONE OR MORE INDIVIDUALS;

(II) OWNS REAL PROPERTY, INCLUDING IN A TENANCY BY THE ENTIRETY; AND

(III) IS INVOLVED IN BUYING, SELLING, LEASING, OR MANAGING REAL PROPERTY.

(2) FOR A SALE OF IMPROVED SINGLE-FAMILY RESIDENTIAL REAL PROPERTY TO A REAL ESTATE ENTERPRISE OR THE SUBSIDIARY OF A REAL ESTATE ENTERPRISE THAT HAS AN OWNERSHIP INTEREST IN RESIDENTIAL REAL PROPERTY IN THE STATE WITH A TOTAL ASSESSED VALUE EXCEEDING \$12,000,000 OR AN OWNERSHIP INTEREST IN MORE THAN 120 SINGLE-FAMILY RESIDENTIAL REAL PROPERTIES, THE RATE OF THE TRANSFER TAX IS 15% OF THE CONSIDERATION PAYABLE FOR THE INSTRUMENT OF WRITING.

(3) THE CONSIDERATION:

(I) INCLUDES THE AMOUNT OF ANY MORTGAGE OR DEED OF TRUST ASSUMED BY THE GRANTEE; AND

(II) SUBJECT TO ITEM (I) OF THIS PARAGRAPH, INCLUDES ONLY THE AMOUNT PAID OR DELIVERED IN RETURN FOR THE SALE OF THE PROPERTY AND DOES NOT INCLUDE THE AMOUNT OF ANY DEBT FORGIVEN OR NO LONGER SECURED BY A MORTGAGE OR DEED OF TRUST ON THE PROPERTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.