SENATE BILL 122

Q1 3lr0660
SB 760/22 – B&T (PRE–FILED)

By: **Senator Hayes**
Requested: November 1, 2022
Introduced and read first time: January 11, 2023
Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Property Tax Exemption – Religious Group or Organization – Third–Party Leases

FOR the purpose of providing that real property owned by a religious group or organization that is leased to a third party does not qualify for a certain property tax exemption; and generally relating to an exemption from the property tax for property owned by a religious group or organization.

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 7–204
Annotated Code of Maryland
(2019 Replacement Volume and 2022 Supplement)

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

Article – Tax – Property

7–204.

(A) Subject to **SUBSECTION (B) OF THIS SECTION AND** § 7–204.1 of this subtitle, property that is owned by a religious group or organization is not subject to property tax if the property is actually used exclusively for:

(1) public religious worship;

(2) a parsonage or convent; or

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

(3) educational purposes.

(B) (1) REAL PROPERTY OWNED BY A RELIGIOUS GROUP OR ORGANIZATION THAT IS LEASED TO A THIRD PARTY DOES NOT QUALIFY FOR THE EXEMPTION UNDER THIS SECTION.

(2) IF ONLY PART OF THE REAL PROPERTY IS LEASED TO A THIRD PARTY, ONLY THAT PART SO LEASED DOES NOT QUALIFY FOR THE EXEMPTION UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2023, and shall be applicable to all taxable years beginning after June 30, 2023.