

County Council of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 6

Resolution No. 84 -2020

Introduced by: The Chairperson at the request of the County Executive

A RESOLUTION increasing the Transfer Tax, the tax on every instrument of writing conveying title to real or leasehold property offered for a record and recorded in Howard County with the Clerk of the Circuit Court, and providing for certain exemptions from the tax.

Introduced and read first time May 4, 2020.

By order


Diane Schwartz Jones, Administrator

Read for a second time at a public hearing on May 18, 2020.

By order



Diane Schwartz Jones, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council on May 27, 2020.

Certified By


Diane Schwartz Jones, Administrator

Approved by the County Executive June 3, 2020


Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, Article 14, Section 20.300 of the Public Local Laws of Maryland
2 authorizes the County to impose a tax on every instrument of writing conveying title to real or
3 leasehold property offered for a record and recorded in Howard County with the Clerk of the
4 Circuit Court; and

5
6 **WHEREAS**, this tax is known as the “Transfer Tax”; and

7
8 **WHEREAS**, pursuant to Article 14, Section 20.300 of the Public Local Laws of
9 Maryland, the Transfer Tax is not imposed on conveyances to the state or to any agency or
10 instrumentality thereof, or any political subdivision of the state, or any nonprofit hospital or
11 religious or charitable organization, association or corporation; and

12
13 **WHEREAS**, prior to the 2020 Session of the Maryland General Assembly, Article 14,
14 Section 20.301 of the Public Local Laws of Maryland provided that the tax imposed shall be
15 levied at the rate of one percent of the actual consideration paid or to be paid for the conveyance
16 of title and shall be collected by the Director of Finance before the Clerk of the Circuit Court
17 may accept an instrument of writing for recordation; and

18
19 **WHEREAS**, subject to certain criteria, Section 20.300(b) of Article 14 of the Public
20 Local Laws of Maryland provides that the sale of residential property to teachers, law
21 enforcement officers, or fire and rescue services members may be subject to a reduced or
22 exempted Transfer Tax rate; and

23
24 **WHEREAS**, House Bill No. 1454 (“HB 1454”), passed by the Maryland General
25 Assembly during the 2020 session, amends Section 20.301 of the Howard County Code and
26 authorizes the governing body of Howard County to, by resolution, increase the rate of the
27 transfer tax to support the following public purposes:

- 28 (1) Capital projects for the Howard County Public School System;
29 (2) Capital projects for the Department of Recreation and Parks;
30 (3) Community improvement and housing programs primarily serving low income
31 individuals and families and the homeless and for urban renewal; and
32 (4) The acquisition or leasing of land for new fire house sites and training facilities

1 and the construction and maintenance of fire house and training facilities, the acquisition and
2 maintenance of fire equipment, and supplementation of financial needs of fire companies; and
3

4 **WHEREAS**, HB1454 also provides that the conveyances of moderate income housing
5 units are not subject to the Transfer Tax; and
6

7 **WHEREAS**, in accordance with HB1454, the governing body of Howard County wishes
8 to increase the rate of the Transfer Tax to a rate of ~~1.5 percent~~ 1.25 percent of the actual
9 consideration paid or to be paid for the conveyance of title and shall be collected by the Director
10 of Finance before the Clerk of the Circuit Court may accept an instrument of writing for
11 recordation.
12

13 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
14 Maryland this 27th day of May, 2020 that, pursuant to the authority granted in
15 Section 20.301 and 20.304 of Article 14 of the Public Local Laws of Maryland and subject to the
16 exemptions set forth in Section 20.301 of Article 14 of the Public Local Laws of Maryland, the
17 Transfer Tax rate in Howard County is ~~1.5 percent~~ 1.25 percent of the actual consideration paid
18 or to be paid for the conveyance of title and shall be collected by the Director of Finance before
19 the Clerk of the Circuit Court may accept an instrument of writing for recordation.
20

21 **AND BE IT FURTHER RESOLVED**, the tax imposed by this Resolution does not
22 apply to:

- 23 (1) Conveyances to the state or to any agency or instrumentality thereof, or any political
24 subdivision of the state, or any nonprofit hospital or religious or charitable organization,
25 association or corporation; and
26 (2) Conveyances of moderate income housing units.
27

28 **AND BE IT FURTHER RESOLVED** that this resolution shall be effective July 1, 2020
29 and shall continue in effect until changed or repealed by subsequent resolution of the County
30 Council.
31

32 **AND BE IT FURTHER RESOLVED** that a copy of this Resolution be sent to the

1 Comptroller of the Treasury of the State of Maryland.

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Introduced and read first time May 4th, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Read for a second time at a public hearing on May 18, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

This Resolution was read the third time and was Adopted___, Adopted with amendments___, Failed___, Withdrawn___, by the County Council on _____, 2020.

Certified By _____
Diane Schwartz Jones, Administrator

Approved by the County Executive _____, 2020

Calvin Ball, County Executive

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10 Clerk of the Circuit Court may accept an instrument of writing for recordation.

11
12 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
13 Maryland this ____ day of _____, 2020 that, pursuant to the authority granted in
14 Section 20.301 and 20.304 of Article 14 of the Public Local Laws of Maryland and subject to the
15 exemptions set forth in Section 20.301 of Article 14 of the Public Local Laws of Maryland, the
16 Transfer Tax rate in Howard County is 1.5 percent of the actual consideration paid or to be paid
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18 the Circuit Court may accept an instrument of writing for recordation.

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