

Expedited Bill No. 15-16  
Concerning: Recordation Tax – Rates –  
Allocations - Amendments  
Revised: May 18, 2016 Draft No. 5  
Introduced: April 19, 2016  
Enacted: May 18, 2016  
Executive: May 25, 2016  
Effective: September 1, 2016  
Sunset Date: None  
Ch. 19, Laws of Mont. Co. 2016

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Council President Floreen

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**AN EXPEDITED ACT to:**

- (1) increase the rate of the recordation tax levied under state law for certain transactions;
- (2) allocate the revenue received from the recordation tax for certain uses; and
- (3) generally amend the law governing the recordation tax

By amending

Montgomery County Code  
Chapter 52, Taxation  
Section 52-16B

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Section 52-16B is amended as follows:**

2           **52-16B. Recordation Tax.**

3           (a) *Rates.* The rates and the allocations of the recordation tax, levied under  
4           [state law] Md. Tax-Property Code §§12-101 to 12-118, as amended, are:

5           (1) [\$3.45] for each \$500 or fraction of \$500 of consideration payable  
6           or of the principal amount of the debt secured for an instrument of  
7           writing, including the amount of any mortgage or deed of trust  
8           assumed by a grantee;

9           (A) [[~~\$2.20~~]] \$2.08, of which the net revenue must be reserved  
10           for and allocated to the County general fund; and

11           (B) [[~~\$2.00~~]] \$2.37, of which the net revenue must be reserved  
12           for and allocated to the cost of capital improvements to  
13           schools; and

14           (2) if the consideration payable or principal amount of debt secured  
15           exceeds \$500,000, an additional [\$1.55] \$2.30 for each \$500 or  
16           fraction of \$500 of the amount over \$500,000, of which the net  
17           revenue must be reserved for and allocated equally to:

18           (A) the cost of County government capital improvements; and

19           (B) rent assistance for low and moderate income households,  
20           which must not be used to supplant any otherwise available  
21           funds.

22           (b) *Exemption.* The first [[~~\$50,000~~]] \$100,000 of the consideration payable  
23           on the conveyance of any owner-occupied residential property is exempt  
24           from the recordation tax if the buyer of that property is an individual and  
25           intends to use the property as the buyer's principal residence by actually  
26           occupying the residence for at least 7 months of the 12-month period  
27           immediately after the property is conveyed.

