

Bill No. 24-07
Concerning: Real Property – Disclosure
– Property Tax, Enforcement
Revised: 12/4/2007 Draft No. 8
Introduced: September 11, 2007
Enacted: December 4, 2007
Executive: December 14, 2007
Effective: March 14, 2008 (but see § 3)
Sunset Date: None
Ch. 22, Laws of Mont. Co. 2007

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Andrews, Council President Praisner, Councilmember Trachtenberg, Council Vice-President Knapp, and Councilmembers Elrich, Berliner, Leventhal, and Ervin

AN ACT to:

- (1) require certain material distributed in connection with the sale of certain residential real property to disclose the amount of property tax a buyer would be obligated to pay after purchase;
- (2) direct the Office of Consumer Protection to enforce certain real estate disclosure requirements; and
- (3) conform related provisions and generally amend County law governing real estate disclosures and their enforcement.

By adding

Montgomery County Code
Chapter 40, Real Property
Section ~~[[40-12B]]~~ 40-12C

By amending

Chapter 40, Real Property
Section 40-14

Chapter 11, Consumer Protection
Section 11-5

Boldface

Underlining

[Single boldface brackets]

Double underlining

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law by original bill.

Added by amendment.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

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

1 **Sec. 1. Section ~~[[40-12B]] 40-12C~~ is added as follows:**

2 ~~[[40-12B]] 40-12C. Disclosure of actual property tax amount.~~

3 (a) Any written or electronically transmitted material that a seller produces or distributes
4 in connection with the advertisement for sale of a specific residential real property
5 located in the County must disclose the ~~[[total annual general property taxes and all~~
6 special service area taxes (including any municipal property tax)] estimated full-
7 year property tax that a buyer would be obligated to pay in the next full tax year after
8 the property is transferred, based on all applicable ~~[[tax]]~~ rates in force when the
9 material is produced. As used in this Section, the full-year property tax that must be
10 estimated includes:

11 (1) all State and County property taxes (including any applicable special service
12 area tax), and any applicable municipal property taxes ; and

13 (2) any other non-tax fee or charge included on the consolidated tax bill.

14 (b) If any ~~[[such]]~~ material subject to subsection (a) mentions both the annual property
15 tax that the current owner ~~[[has paid or]]~~ is obligated to pay and the annual property
16 tax that a buyer would be obligated to pay ~~[[in the next full tax year]]~~ after the
17 property is transferred, the material must:

18 (1) feature both tax amounts equally prominently; and

19 (2) present the property tax that the buyer would be obligated to pay either
20 immediately before or immediately after the property tax that the current
21 owner ~~[[has paid or]]~~ is obligated to pay.

22 (c) The estimate required by subsection (a) must be updated:

23 (1) each July 1, to reflect changes in tax, fee, and charge rates; and

24 (2) by January 31 if the current fiscal year is the third year of the property's 3-
25 year assessment cycle, to reflect the revised assessed value of the property
26 issued by the State Department of Assessments and Taxation.

27 (d) The Office of Consumer Protection must assist a seller in estimating the information
28 required under subsection (a).

29 ~~[[d]]~~ (e) A seller or the seller's agent is not liable for any incorrect information disclosed
30 under this Section if the seller relied in good faith on a method approved or
31 recommended by the County to estimate the information.

32 **Sec. 2. Sections 11-5 and 40-14 are amended as follows:**

33 **11-5. Exemptions from Chapter.**

34 This Chapter does not apply to:

35 * * *

36 (e) the sale of real estate, directly or indirectly, by any owner-occupant of the real estate,
37 except as provided in Section 40-14.

38 **40-14. Penalty for violation of Article; enforcement.**


39 Any violation of this Article is a class A violation. The Office of Consumer Protection must
40 enforce this Article.

41 Sec. 3. Effective Date. Section 40-12C, added by Section 1 of this Act, takes effect on

42 April 1, 2008.

43 *Approved:*

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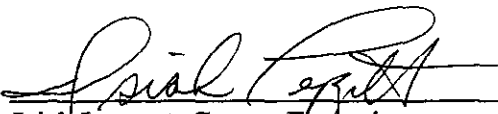
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46 Michael J. Knapp, President, County Council

5 DEC 07

Date

47 *Approved:*

48 


Isiah Leggett, County Executive

Dec 14, 2007

Date

49 *This is a correct copy of Council action.*

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Linda M. Lauer, Clerk of the Council

Dec. 17, 2007

Date