

HOUSE BILL 788

Q1

8lr2895

By: **Delegates Hubbard, Howard, Barnes, Costa, Frush, McHale, Proctor, and Ross**

Introduced and read first time: February 6, 2008

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property Assessments – Market Declines – Revaluation**

3 FOR the purpose of requiring certain real property to be revalued outside of the
4 triennial assessment cycle under certain circumstances if the median price for
5 homes in the county where the real property is located has declined as
6 determined in a certain manner; and generally relating to the required
7 revaluation of certain real property outside of the triennial assessment cycle
8 under certain circumstances.

9 BY repealing and reenacting, with amendments,
10 Article – Tax – Property
11 Section 8–104(c)
12 Annotated Code of Maryland
13 (2007 Replacement Volume)

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

16 **Article – Tax – Property**

17 8–104.

18 (c) (1) In any year of a 3–year cycle, real property shall be revalued if any
19 of the factors listed below causes a change in the value of the real property:

20 (i) the zoning classification is changed at the initiative of the
21 owner or anyone having an interest in the property;

22 (ii) a change in use or character occurs;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) substantially completed improvements are made which add
2 at least \$50,000 in value to the property;

3 (iv) an error in calculation or measurement of the real property
4 caused the value to be erroneous;

5 (v) a residential use assessment is terminated pursuant to §
6 8-226 of this title; [or]

7 (vi) a subdivision occurs; **OR**

8 **(VII) THE MEDIAN PRICE FOR HOMES IN THE COUNTY WHERE**
9 **THE REAL PROPERTY IS LOCATED HAS DECLINED, AS DETERMINED UNDER**
10 **PARAGRAPH (5) OF THIS SUBSECTION.**

11 **(2)** For purposes of this subsection, “subdivision” means the division of
12 real property into 2 or more parcels by subdivision plat, condominium plat, time-
13 share, metes and bounds, or other means.

14 **[(2)] (3)** When real property is revalued under this subsection, the
15 Department or supervisor shall:

16 (i) determine the value that would have resulted if the
17 revaluation had occurred for the 1st year of the 3-year cycle;

18 (ii) determine the value that would have resulted if the
19 revaluation had occurred for the 1st year of the preceding 3-year cycle; and

20 (iii) adjust the phased-in value for each of the years remaining
21 in the 3-year cycle to reflect the change that results from the revaluation.

22 **[(3)] (4) (I)** The Department or supervisor shall revalue real
23 property under paragraph (1)(i), (ii), (iv), (v), and (vi) of this subsection on the
24 semiannual date of finality. The revaluation shall be effective for the taxable year
25 beginning on the semiannual date of finality, if the notice under this title is sent no
26 later than 30 days after the semiannual date of finality.

27 **(II) THE DEPARTMENT OR SUPERVISOR SHALL REVALUE**
28 **PROPERTY UNDER PARAGRAPH (1)(VII) OF THIS SUBSECTION ON THE DATE OF**
29 **FINALITY.**

30 **[(4)] (III)** The Department or supervisor shall revalue real property
31 under paragraph (1)(iii) of this subsection on the date of finality, semiannual date of
32 finality, or quarterly date of finality following the substantial completion of the
33 improvements to land.

1 **(5) THE MEDIAN PRICE FOR HOMES IN THE COUNTY WHERE REAL**
2 **PROPERTY IS LOCATED SHALL BE CONSIDERED TO HAVE DECLINED FOR**
3 **PURPOSES OF THIS SUBSECTION IF, BASED ON THE MOST RECENT**
4 **INFORMATION AVAILABLE, THE DEPARTMENT DETERMINES THAT THE MEDIAN**
5 **PRICE FOR SALES OF IMPROVED, OWNER-OCCUPIED RESIDENTIAL PROPERTY**
6 **IN THAT COUNTY FOR THE CALENDAR YEAR ENDING IMMEDIATELY BEFORE THE**
7 **DATE OF FINALITY HAS DECLINED FROM THE PRECEDING CALENDAR YEAR.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2008.