

Bill No. 17-23  
Concerning: Taxation - Recordation  
Tax Rates - Amendments  
Revised: 5/3/2023 Draft No. 2  
Introduced: March 21, 2023  
Enacted: May 9, 2023  
Executive: May 18, 2023  
Effective: October 1, 2023  
Sunset Date: None  
Ch. 15, Laws of Mont. Co. 2023

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Councilmember Mink  
Co-sponsor: Councilmember Jawando

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**AN 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>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<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:*

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

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

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

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

(A) \$2.08, of which the net revenue must be reserved for and allocated to the County general fund; and

(B) ~~[\$2.37]~~ ~~[[\$3.79]]~~ \$2.37, of which the net revenue must be reserved for and allocated to the cost of capital improvements to public schools; and

(2) if the consideration payable or principal amount of debt secured:

(A) exceeds \$500,000 and is less than or equal to \$600,000, an additional ~~[\$2.30]~~ ~~[[\$3.45]]~~ \$2.30 for each \$500 or fraction of \$500 of the amount over \$500,000 ~~[[, of which the net revenue must be reserved for and allocated equally to:~~

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

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

(B) exceeds \$600,000 and less than or equal to \$750,000, an additional \$5.75 for each \$500 or fraction of \$500 of the amount over \$600,000; and

28                    (C) exceeds \$750,000 and less than or equal to \$1,000,000, an  
29                    additional \$6.33 for each \$500 or fraction of \$500 of the  
30                    amount over \$750,000; and

31                    ~~[(3)]~~(D) [[if the consideration payable or principal amount of debt  
32                    secured for a single-family dwelling unit]] exceeds  
33                    \$1,000,000, an additional ~~[\$1.15]] \$6.90 for each \$500 or~~  
34                    fraction of \$500 of the amount over \$1,000,000 ~~[[, of~~  
35                    which the net revenue must be reserved for and allocated  
36                    equally:

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

39                    (B) rent assistance for low and moderate income  
40                    households, which must not be used to supplant any  
41                    otherwise available funds]].

42                    (3) Allocation of revenue collected. The net revenue collected under  
43                    paragraph (2) must be reserved for and allocated as follows:


44                    (A) one-third for the cost of County government capital  
45                    improvements; and

46                    (B) one-third for rent assistance for low and moderate income  
47                    households, which must not be used to supplant any  
48                    otherwise available funds; and

49                    (C) one-third for the cost of capital improvements for public  
50                    schools.

51                    **Sec 2. Effective date.** This Act takes effect on ~~[[July 1, 2023]]~~ October 1,  
52                    2023, and must apply to any transaction which occurs on or after ~~[[July 1, 2023]]~~  
53                    October 1, 2023.


*Approved:*

  
\_\_\_\_\_ 5/12/2023  
Evan Glass, President, County Council Date

*Approved:*

  
\_\_\_\_\_ 5/18/2023  
Marc Elrich, County Executive Date

*This is a correct copy of Council action.*

  
\_\_\_\_\_ 5/19/2023  
Sara Tenenbaum, Clerk of the Council Date