

(E) THE DEPARTMENT SHALL NOTIFY AN APPLICANT IN WRITING IF THE APPLICANT IS NOT ELIGIBLE FOR THE RESIDENTIAL USE ASSESSMENT.

8-228.

(A) IF A PART OF ANY REZONED REAL PROPERTY IS SUBDIVIDED BY A RECORDED PLAT, IS USED FOR A PURPOSE OTHER THAN A RESIDENTIAL USE, OR IS TRANSFERRED TO SOMEONE OTHER THAN AN IMMEDIATE FAMILY MEMBER OF THE OWNER, THE PROPERTY CEASES TO BE REZONED REAL PROPERTY AND THE RESIDENTIAL USE ASSESSMENT UNDER THIS SECTION AND §§ 8-226 AND 8-227 OF THIS SUBTITLE SHALL TERMINATE AND THE DEPARTMENT SHALL VALUE AND ASSESS THE PROPERTY IN ACCORDANCE WITH THE PROVISIONS OF SUBTITLE 1 OF THIS TITLE.

(B) IF THE RESIDENTIAL USE ASSESSMENT IS TERMINATED UNDER SUBSECTION (A) OF THIS SECTION, THE HOMEOWNER WHO PAID TAXES BASED ON THE RESIDENTIAL USE ASSESSMENT SHALL PAY TO THE DEPARTMENT A PENALTY AS CALCULATED IN SUBSECTION (C) OF THIS SECTION.

(C) (1) THE PENALTY DUE IS CALCULATED BASED ON THE DIFFERENCE BETWEEN THE ASSESSMENT OF THE PROPERTY BASED ON ITS RESIDENTIAL USE AS REZONED REAL PROPERTY AND THE ASSESSMENT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION MULTIPLIED BY THE SUM OF THE STATE, COUNTY, AND MUNICIPAL TAX RATES FOR THE CURRENT TAX YEAR.

(2) THE TOTAL PENALTY DUE IS EQUAL TO THE AMOUNT DETERMINED IN PARAGRAPH (1) OF THIS SUBSECTION MULTIPLIED BY THE NUMBER OF YEARS, NOT EXCEEDING 3, FOR WHICH THE HOMEOWNER RECEIVED A RESIDENTIAL USE ASSESSMENT UNDER THIS SECTION AND §§ 8-226 AND 8-227 OF THIS SUBTITLE.

(3) ANNUAL INTEREST AT THE RATE OF 12% SHALL APPLY TO THE PENALTY CALCULATED UNDER THIS SUBSECTION.

(D) THE PROCEEDS OF THE PENALTY COLLECTED UNDER THIS SECTION SHALL BE DISTRIBUTED TO THE STATE, COUNTY, AND MUNICIPAL GOVERNMENTS IN THE PROPORTION THAT EACH TAX RATE BEARS TO THE TOTAL OF THE STATE, COUNTY, AND MUNICIPAL TAX RATES.

9-105.

(d) (1) The Department shall authorize and a county or municipal corporation shall grant a property tax credit under this section unless during the previous calendar year:

(i) the dwelling was transferred for consideration to new ownership;

(ii) the value of the dwelling was increased due to a change in the zoning classification of the dwelling INITIATED OR REQUESTED BY THE HOMEOWNER OR ANYONE HAVING AN INTEREST IN THE PROPERTY;