

the powers of Montgomery County to levy and impose a tax of 6% on the transfer in Montgomery County of any fee simple interest in real property which, during the five years preceding, was assessed on the basis of being devoted to farm or agricultural use, and on transfers of land which has been rezoned to a more intensive use at the instance of the transferor or transferee.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 1 of Chapter 180 of the Laws of Maryland, 1961, the same also being Section ~~2-217~~ 2-127 of the Montgomery County Code (1965 Edition), titled "Administration," subtitled "Division 4. Taxation Generally," be and it is hereby repealed and reenacted, with amendments, to read as follows:

Sec. ~~2-217~~ 2-127. Real property transfer tax.

(a) *Generally.* The county council for Montgomery County is empowered and authorized to levy and impose by resolution or ordinance a tax to be paid and collected on the transfer in Montgomery County of any fee simple interest in real property, except by way of mortgage, deed of trust, or deed or trust for the benefit of creditors, and on the transfer of any leasehold interest in real property, where such lease contains a covenant for perpetual renewal. **■**, at a rate not to exceed one percent of the value of the consideration for such transfer. **■** *The rate of such tax shall not exceed:*

(1) ~~6%~~ ~~OF THE VALUE OF THE CONSIDERATION FOR any transfer of land (EXCLUDING IMPROVEMENTS THEREON) which, while owned by the transferor, has been assessed at any time during the 5 years preceding transfer on the basis of being actively devoted to farm or agricultural use. The tax shall be paid by the transferor of such land;~~ ; OR

(2) ~~6%~~ ~~OF THE VALUE OF THE CONSIDERATION FOR any transfer of real property which, AFTER THE EFFECTIVE DATE OF ANY SUCH RATE OF TAX has been rezoned to a more intensive use at the instance of the transferor or transferee., EXCLUDING THE VALUE OF IMPROVEMENTS CONSTRUCTED AFTER SUCH REZONING;~~ OR

(3) ~~1%~~ ~~OF THE VALUE OF THE CONSIDERATION FOR any other transfer.~~

(b) *Exceptions.* No transfer of any interest in such property shall be taxed hereunder where the transfer is to any non-profit, hospital, religious or charitable organization, association or corporation, nor to any municipal, county or state government, or instrumentalities, agencies or political subdivisions thereof.

(c) *Applicability to certain transfers.* No tax levied pursuant to this section shall apply to transfers pursuant to contracts or agreements entered into prior to the effective date of such tax.

(d) *Penalty for violations.* The county council is further empowered and authorized to fix a penalty not in excess of one thousand dollars or imprisonment not exceeding six months, or both such fine and imprisonment, for violation of the provisions of any resolution or ordinance of the county council adopted pursuant to this section. (1961, ch. 180, sec. 1.)