

CHAPTER 772

(House Bill 482)

AN ACT concerning

Property Tax Credits - Net Worth

FOR the purpose of defining "current market value" when used in computing net worth for eligibility for certain property tax credits.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes

Section 12F-1(b) (7)

Annotated Code of Maryland

(1975 Replacement Volume and 1976 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 12F-1(b) (7) of Article 81 - Revenue and Taxes, of the Annotated Code of Maryland (1975 Replacement Volume and 1976 Supplement) be and it is hereby repealed and reenacted, with amendments, to read as follows:

Article 81 - Revenue and Taxes

12F-1.

(b) As used in this section, the following words have the meanings specified:

(7) (I) "Net worth" means the sum of the values of assets including but not limited to cash, savings accounts, stocks, bonds, and other investments less outstanding liabilities plus the excess of current market value of real property owned over the outstanding indebtedness on each such property. The cash surrender value of life insurance policies and the value of personal property are excluded.

(II) IN SUBPARAGRAPH (I), "CURRENT MARKET VALUE" MEANS:

(A) IN THE CASE OF RESIDENTIAL PROPERTY ONLY, THE FULL CASH VALUE (100 PERCENT) AS DETERMINED BY THE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

(B) IN THE CASE OF FARMLANDS OR WOODLANDS ONLY, THE FULL CASH VALUE (100 PERCENT), PURSUANT TO SECTION 19(B) (1), AS DETERMINED BY THE DEPARTMENT OF ASSESSMENTS AND TAXATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act