

CHAPTER 624

(House Bill 1040)

AN ACT concerning

Taxes - Transfer and Recordation - Exempt  
Divorce Transfers

FOR the purpose of exempting property transfers as part of ~~divorce~~ property settlements and divorce decrees from the recordation tax and State ~~property-transfer-tax~~ and local property transfer taxes; establishing exemptions for certain individuals under certain circumstances; and generally relating to recordation and transfer taxes.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes  
Section 277(b) and 278A(b)  
Annotated Code of Maryland  
(1975 Replacement Volume and 1979 Supplement)

BY adding to

Article 81 - Revenue and Taxes  
Section 278E  
Annotated Code of Maryland  
(1975 Replacement Volume and 1979 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 81 - Revenue and Taxes

277.

(b) (1) In the case of instruments conveying title to property, the tax shall be at the rate of 55 cents for each \$500 or fractional part thereof of the actual consideration paid or to be paid; in the case of instruments securing a debt, the tax shall be at the rate of 55 cents for each \$500 of the principal amount of the debt secured.

(2) When any property subject to a mortgage or deed of trust is transferred to a spouse, former spouse, son, daughter, ~~ex---parent~~ PARENT, SON-IN-LAW, DAUGHTER-IN-LAW, OR PARENT-IN-LAW of the transferor, the tax is not applicable to the amount of any outstanding mortgage debt assumed by the transferee. When spouses or former spouses transfer property to each other [subject to a separation agreement] AS PART OF A ~~DIVORCE~~ PROPERTY