

BY repealing and reenacting, with amendments,

Article - Tax - Property  
Section 12-105(c) and 13-205(a)  
Annotated Code of Maryland  
(1986 Volume and 1988 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Real Property

8-110.

(b) Except for apartment and cooperative leases, any reversion reserved in a lease for longer than 15 years is redeemable, at the option of the tenant, after a notice of one month to the landlord[, for]:

(1) FOR a sum equal to the [capitalization of the] ANNUAL rent reserved MULTIPLIED BY:

(I) 25, WHICH IS CAPITALIZATION AT 4 PERCENT--~~7~~, IF THE LEASE WAS EXECUTED FROM APRIL 8, 1884 TO APRIL 5, 1888, BOTH INCLUSIVE;

(II) 8.33, WHICH IS CAPITALIZATION AT 12 PERCENT, IF THE LEASE WAS OR IS CREATED AFTER JULY 1, 1982; OR

(III) 16.66, WHICH IS CAPITALIZATION AT 6 PERCENT, IF THE LEASE WAS CREATED AT ANY OTHER TIME;

(2) FOR A LESSER SUM IF SPECIFIED IN THE LEASE; OR

(3) FOR A SUM TO WHICH THE PARTIES MAY AGREE AT THE TIME OF REDEMPTION [at a rate not exceeding 6 percent per year. If a lease is created after July 1, 1982, it is redeemable at the option of the tenant, after a notice of 1 month to the landlord, for a sum equal to the capitalization of the rent reserved at a rate not exceeding 12 percent per year. If a lease was executed between April 8, 1884 and April 5, 1888, the redemption price may be some other sum specified in the lease not exceeding 4 percent capitalization of the reversion].

Article - Tax - Property

12-105.

(c) If a lease of real property creating a perpetually renewable ground rent is recorded without a transfer of the reversionary estate for full consideration other than the ground rent being recorded at the same time, the recordation tax applies