

(a) Personal property is not subject to valuation or to property tax, if the personal property is owned by an institution that is subject to the financial institution franchise tax under Title 8, Subtitle 2 of the Tax – General Article.

(b) This exemption does not include any personal property that is leased, loaned, or made available by the institution for the use of a person whose business is not that of the institution.

(C) FOR ANY TAXABLE YEAR BEGINNING AFTER JUNE 30, 1999 1998, THE EXEMPTION UNDER THIS SECTION DOES NOT APPLY TO A COMMERCIAL BANK, SAVINGS BANK, TRUST COMPANY, OR COMPANY THAT SUBSTANTIALLY COMPETES WITH NATIONAL BANKS IN THE STATE.

(D) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, EXCEPT AS PROVIDED IN § 7-221.1 OF THIS SUBTITLE, FOR A COMMERCIAL BANK, SAVINGS BANK, TRUST COMPANY, OR COMPANY THAT SUBSTANTIALLY COMPETES WITH NATIONAL BANKS IN THE STATE, THE PERSONAL PROPERTY DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS SUBJECT TO PROPERTY TAX:

(1) ON 50% OF ITS ASSESSMENT FOR THE TAXABLE YEAR BEGINNING ON JULY 1, 1997 1996; AND

(2) ON 75% OF ITS ASSESSMENT FOR THE TAXABLE YEAR BEGINNING ON JULY 1, 1998 1997.

7-221.1.

(A) IN THIS SECTION, "BANK OR TRUST COMPANY" MEANS:

(1) A COMMERCIAL BANK;

(2) A SAVINGS BANK;

(3) A TRUST COMPANY; OR

(4) A COMPANY THAT SUBSTANTIALLY COMPETES WITH NATIONAL BANKS IN THE STATE.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, PERSONAL PROPERTY IS NOT SUBJECT TO VALUATION OR TO PROPERTY TAX, IF THE PERSONAL PROPERTY:

(1) IS OWNED BY A BANK OR TRUST COMPANY AND IS USED IN CONNECTION WITH THE ~~TRADE OR BUSINESS PROCESSING OF DEPOSITS OR LOANS~~ OF THE BANK OR TRUST COMPANY; ~~AND~~

(2) IS A COMPUTER PROGRAM, AS DEFINED IN § 11-225(A) OF THE TAX - GENERAL ARTICLE, OR COMPUTER HARDWARE; AND

(3) IS NOT USED IN CONNECTION WITH WORD PROCESSING.