

[(c) For any taxable year beginning after June 30, 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, 1996; and
- (2) on 75% of its assessment for the taxable year beginning on July 1, 1997.]

7-221.1.

(a) (1) In this section[, "bank"] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "BANK or trust company" means:

[(1)] (I) a commercial bank;

[(2)] (II) a savings bank;

[(3)] (III) a trust company; or

[(4)] (IV) a company that substantially competes with national banks in the State.

(b) (3) "SAVINGS AND LOAN ASSOCIATION" MEANS A SAVINGS AND LOAN ASSOCIATION THAT:

(+) (I) IS ORGANIZED UNDER THE LAWS OF THE STATE;

(+) (II) IS ORGANIZED UNDER THE LAWS OF ANOTHER STATE AND IS ADMITTED TO DO BUSINESS IN THIS STATE; OR

(+) (III) IS ORGANIZED UNDER THE LAWS OF THE UNITED STATES AND HAS AN OFFICE IN THIS STATE.

(c) (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 OR A SAVINGS AND LOAN ASSOCIATION and is used in connection with the processing of deposits or loans of the bank or trust company OR SAVINGS AND LOAN ASSOCIATION;

(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.