

ACTIVITY RELATED TO AGRICULTURAL PRODUCTION, ARE ENTIRELY SUBJECT TO AN AGRICULTURAL USE ASSESSMENT UNDER § 8-209 OF THIS ARTICLE.

(B) (1) THE RECORDATION TAX IS IMPOSED ON THE TRANSFER OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY AS IF THE REAL PROPERTY DIRECTLY OR BENEFICIALLY OWNED BY THE REAL PROPERTY ENTITY WERE CONVEYED BY AN INSTRUMENT OF WRITING THAT IS RECORDED WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY OR FILED WITH THE DEPARTMENT UNDER § 12-102 OF THIS SUBTITLE.

(2) (1) THE RECORDATION TAX IS IMPOSED ON THE CONSIDERATION PAYABLE FOR THE TRANSFER OF THE CONTROLLING INTEREST IN THE REAL PROPERTY ENTITY.

(II) THE CONSIDERATION TO WHICH THE RECORDATION TAX APPLIES INCLUDES THE AMOUNT OF:

1. ANY MORTGAGE, DEED OF TRUST, OR OTHER LIEN UPON OR SECURITY INTEREST IN THE REAL PROPERTY DIRECTLY OR BENEFICIALLY OWNED BY THE REAL PROPERTY ENTITY, AND

2. ANY OTHER DEBT OR ENCUMBRANCE OF THE REAL PROPERTY ENTITY.

(III) THE CONSIDERATION TO WHICH THE RECORDATION TAX APPLIES IS REDUCED BY THE AMOUNT ALLOCABLE TO THE ASSETS OF THE REAL PROPERTY ENTITY OTHER THAN REAL PROPERTY.

(IV) THE REAL PROPERTY ENTITY HAS THE BURDEN OF ESTABLISHING TO THE SATISFACTION OF THE DEPARTMENT THE CONSIDERATION REFERRED TO IN SUBPARAGRAPH (I) OF THIS PARAGRAPH AND THE AMOUNT OF ANY CONSIDERATION ALLOCABLE TO ASSETS OTHER THAN REAL PROPERTY REFERRED TO IN SUBPARAGRAPH (III) OF THIS PARAGRAPH.

(V) IF THE REAL PROPERTY ENTITY FAILS TO ESTABLISH THE AMOUNT OF CONSIDERATION REFERRED TO IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE RECORDATION TAX IS IMPOSED ON THE VALUE OF THE REAL PROPERTY DIRECTLY OR BENEFICIALLY OWNED BY THE REAL PROPERTY ENTITY DETERMINED BY THE DEPARTMENT AT THE DATE OF FINALITY IMMEDIATELY BEFORE THE DATE OF THE FINAL TRANSFER.

(3) EXCEPT AS OTHERWISE PROVIDED IN § 12-103(D) OF THIS SUBTITLE, THE RECORDATION TAX IS APPLIED AT THE RATE SET UNDER § 12-103(B) OF THIS SUBTITLE BY THE COUNTY WHERE THE REAL PROPERTY IS LOCATED.

(C) (1) THE TRANSFER OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY IS NOT SUBJECT TO THE RECORDATION TAX IF THE TRANSFER OF THE REAL PROPERTY BY AN INSTRUMENT OF WRITING BETWEEN THE SAME PARTIES AND UNDER THE SAME CIRCUMSTANCES WOULD HAVE BEEN EXEMPT UNDER § 12-108 OF THIS SUBTITLE.