

**COUNTY COMMISSIONERS OF CAROLINE COUNTY,  
MARYLAND**

**LEGISLATIVE BILL #2022-004**

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INTRODUCED BY: COMMISSIONERS PORTER, FRANKLIN, AND  
LEVENGOOD

INTRODUCED ON: SEPTEMBER 13, 2022

ATTEST:

  
LARRY C. PORTER, PRESIDENT

PUBLIC HEARING: SEPTEMBER 20, 2022, BEGINNING AT 9:10  
AM  
HAPS BUILDING, 403 SOUTH SEVENTH  
STREET, ROOM 111,  
DENTON, MARYLAND

THIRD READING: OCTOBER 11, 2022

ENACTED: OCTOBER 11, 2022

EFFECTIVE: NOVEMBER 25, 2022

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**Chapter 166 Taxation– §166-7 Exemptions from County Transfer  
Tax - Repeal and Reenactment**

AN Act to repeal §166-7 of Chapter 166 of the Code of Public Local Laws of Caroline County and reenact the same with amendments changing the text of Subsection B to conform to the language of the enabling statute, §13-408 of the Tax Property Article of the Annotated Code of Maryland (the “Tax-Property Article”), and changing the text of Subsection C to conform to the definition of “first-time Maryland home buyer” in §13-203 of the Tax-Property Article.

FOR the purposes of: (1) providing that the County transfer tax does not apply to the first \$25,000.00 of the consideration payable on an instrument of writing conveying owner-occupied residential property if the grantee intends use the property as the grantee's principal residence by actually occupying the residence for at least 7 months of a 12-month period; (2) providing that the County transfer tax does not apply to the first \$75,000.00 of the consideration payable on an instrument of writing conveying improved residential real property to a first-time Maryland home buyer; and (3) providing that to qualify for these exemptions the instrument of writing must contain a statement under oath by the grantees attesting to these facts.

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**WHEREAS**, the County Commissioners of Caroline County, Maryland (the "County Commissioners") are authorized under Article XI-F of the Maryland Constitution and § 9-308 of the Local Government Article of the Annotated Code of Maryland (the "Local Government Article") to adopt public local laws in general;

**WHEREAS**, the County Commissioners are specifically authorized by §13-408 of the Tax-Property Article of the Annotated Code of Maryland to provide for a partial exemption from transfer and recordation taxes in specified circumstances;

**WHEREAS**, the County Commissioners have determined this Bill is necessary and appropriate to protect and improve the general health, safety, and welfare of the County and its residents; and

**WHEREAS**, this Bill may also be known by its short title "Chapter 166 – §166-7-- Repeal and Reenactment."

**NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COMMISSIONERS OF CAROLINE COUNTY, MARYLAND, that:**

**SECTION 1.** The Recitals to this Bill are incorporated herein and deemed a substantive part of this Bill.

**SECTION 2.** Section 166-7, Chapter 166 Finance, of the Code of Public Local Laws of Caroline County be and is hereby REPEALED.

**SECTION 3. A NEW SECTION 166-7, BE** and is hereby enacted in lieu thereof, to read as follows:

**§166-7 Exemptions from tax.**

The transfer tax does not apply to:

A. An instrument of writing exempt from the state transfer tax under §13-207 of the Tax-Property Article of the Annotated Code of Maryland.

B. The first \$25,000.00 of the consideration payable on an instrument of writing conveying owner-occupied residential property if the grantee intends to use the property as the grantee's principal residence by actually occupying the residence for at least 7 months of a 12-month period. To qualify for an exemption under this subsection B, each grantee or an agent of a grantee, shall include a statement in the recitals or in the acknowledgment of the instrument, an affidavit under oath, signed by the grantee or agent of the grantee, stating that:

(1) the property being conveyed is improved residential real property; and

(2) the grantee intends to use the property as the grantee's principal residence by actually occupying the residence for at least 7 months of a 12-month period.

(3) A statement under this subsection B by an agent of a grantee shall state that the statement:

(i) is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(ii) is true to the best of the knowledge, information, and belief of the agent.

C. The first \$75,000.00 of the consideration payable on an instrument of writing conveying improved residential real property to a first-time Maryland home buyer who will occupy the property as a principal residence. To qualify for an exemption under this subsection C, each grantee or an agent of the grantee shall provide a statement that is signed under oath by the grantee or agent of the grantee, stating that:

(1) the grantee is an individual who has never owned in the State of Maryland residential real property that has been the individual's principal residence; and

(2) the residence will be occupied by the grantee as the grantee's principal residence; or

(3) the grantee is a co-maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in §12-108(i) of the Tax-Property Article for the property; and

(4) the grantee will not occupy the residence as the co-maker's or guarantor's principal residence.

(5) A statement under this subsection C by a grantee shall state that the statement is true upon the personal knowledge of the grantee. A statement by an agent of a grantee shall state that the statement:

(i) is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(ii) is true to the best of the knowledge, information, and belief of the agent.

**SECTION 4.** The provisions of this Bill are declared to be severable. If any section, subsection, sentence, clause, phrase, or portion of this Bill is for any reason held invalid or unconstitutional by any court of competent

jurisdiction, the same shall be deemed separate, distinct, and independent from, and such holding shall not affect the validity of, the remaining portions of this Bill, it being the intent of the County that this Bill shall stand, notwithstanding the invalidity of any section, subsection, sentence, clause, phrase, or portion hereof.

**SECTION 5.** The Publishers of the Code of Public Local Laws of Caroline County, Maryland (the “Code”), the Caroline County Office of Law, or the Caroline County Department of Planning and Codes, in consultation with and subject to the approval of the County Administrator, shall be authorized to make non-substantive corrections to codification, style, capitalization, punctuation, grammar, spelling, organization, and any internal or external reference or citation to the Code that is incorrect or obsolete, with no further action required by the County Commissioners. All such corrections shall be adequately referenced and described in an editor's note following the section affected.

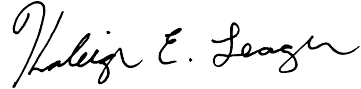
**SECTION 6.** The title and summary of this Bill shall be published in at least one newspaper of general circulation in Caroline County three times, at weekly intervals, and within the 4-week period after passage of the Bill, in accordance with § 9-311(i) of the Local Government Article of the Annotated Code of Maryland. The title of this Bill, or a condensed version thereof, shall be deemed to be, and is, a fair summary of this Bill for publication and all other purposes. The title is not a substantive part of this Bill. If the Bill is amended, the title may be administratively revised to conform to the content of the Bill as finally enacted.

**SECTION 7.** This Bill shall take effect on November 25, 2022.

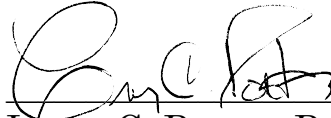
Enacted this 11th day of October, 2022.

**ATTEST:**

**COUNTY COMMISSIONERS  
OF  
CAROLINE COUNTY,  
MARYLAND**

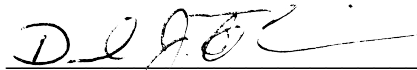


Kaleigh Leager  
Executive Assistant

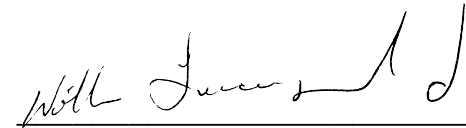


Larry C. Porter, President

(SEAL)

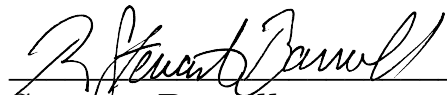


Daniel J. Franklin, Vice-  
President



Wilbur Levengood, Jr.,  
Commissioner

**APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:**



Stewart Barroll  
County Attorney