

SENATE BILL 497

Q1

6lr1536
CF 6lr1539

By: Washington County Senators

Introduced and read first time: February 2, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – City of Hagerstown and the Hagerstown Multi–Use Sports and**
3 **Events Facility, Inc. – Exemption**

4 FOR the purpose of exempting from the property tax property that is owned by the City of
5 Hagerstown and used primarily for public social, recreational, and entertainment
6 purposes; establishing that the exemption from the property tax for certain property
7 owned by the City of Hagerstown or the Hagerstown Multi–Use Sports and Events
8 Facility shall apply retroactively beginning with a certain taxable year; requiring
9 the State, Washington County, and the City of Hagerstown to pay a refund for any
10 excess property tax paid due to the retroactive exemption under this Act; and
11 generally relating to a property tax exemption for property owned by the City of
12 Hagerstown or the Hagerstown Multi–Use Sports and Events Facility, Inc.

13 BY repealing and reenacting, without amendments,

14 Article – Tax – Property

15 Section 1–101(a), (cc), and (dd)

16 Annotated Code of Maryland

17 (2019 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – Tax – Property

20 Section 7–251 and 7–524

21 Annotated Code of Maryland

22 (2019 Replacement Volume and 2025 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

24 That the Laws of Maryland read as follows:

25 **Article – Tax – Property**

26 1–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In this article the following words have the meanings indicated.

2 (cc) "Property" means real property and personal property.

3 (dd) "Property tax" means the property tax imposed by:

4 (1) the State;

5 (2) a county; or

6 (3) a municipal corporation.

7 7-251.

8 **(A)** Property is not subject to property tax if the property:

9 (1) is owned by [The]:

10 **(I)** THE CITY OF HAGERSTOWN; OR

11 **(II)** THE Hagerstown Multi-Use Sports and Events Facility, Inc.;

12 and

13 (2) is used primarily for public social, recreational, and entertainment
14 purposes.

15 **(B) (1) THE EXEMPTION UNDER SUBSECTION (A) OF THIS SECTION SHALL**
16 **APPLY RETROACTIVELY TO TAXABLE YEARS BEGINNING AFTER JUNE 30, 2023.**

17 **(2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE:**

18 **(I) THE DEPARTMENT SHALL GRANT AN EXEMPTION FOR ALL**
19 **ELIGIBLE TAXABLE YEARS TO A PERSON THAT REQUESTS A RETROACTIVE**
20 **EXEMPTION UNDER THIS SECTION; AND**

21 **(II) THE STATE, WASHINGTON COUNTY, AND THE CITY OF**
22 **HAGERSTOWN SHALL PAY A REFUND FOR ANY EXCESS PROPERTY TAX PAID DUE TO**
23 **A RETROACTIVE EXEMPTION GRANTED UNDER THIS SECTION.**

24 7-524.

25 Notwithstanding the exemption from property tax under § 7-251 of this title, [The]
26 THE Hagerstown Multi-Use Sports and Events Facility, Inc. may pay to the governing body
27 of Washington County or the City of Hagerstown an amount, if any, that may be set by

1 mutual agreement in lieu of the taxes that would otherwise be due on all or part of the
2 facility.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
4 1, 2026.