

# **Bond Case Briefs**

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## **TAX - MARYLAND**

### **Montgomery County, Md. v. Federal Nat. Mortg. Ass'n**

**United States District Court, D. Maryland - April 30, 2013 - Not Reported in F.Supp.2d - 2013 WL 1832370**

Maryland imposes recordation and transfer taxes when parties transfer title to real property. The state also permits its counties to impose their own transfer taxes, subject to certain conditions. Pursuant to this authority, Montgomery County imposes transfer taxes.

Montgomery County filed a class action complaint, alleging that Fannie Mae and Freddie Mac have participated in thousands of real estate transactions in Montgomery County and elsewhere in Maryland involving the transfer of title to real property, but have refused to pay both the transfer taxes and the agricultural land transfer taxes imposed by Washington County.

The district court held that, because Fannie Mae's and Freddie Mac's charters exempt them from the state and local taxes at issue in this case, dismissing Montgomery County's statutory claim seeking payment of such taxes and entering a declaratory judgment in favor of defendants.