

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 970 (Delegate Rosenberg, et al.)
Ways and Means

Property Tax Credit for Renovations to Commercial Buildings to Provide State-of-the-Art Communications and Utility Systems

This bill authorizes local governments, including municipal corporations, to grant a property tax credit for renovations made to meet state-of-the-art communications and utility standards, including installing fiber-optic cable, emergency electrical capacity, and emergency backup power. The credits may not exceed the lesser of 10% of the cost of the renovations or the property tax otherwise due, and they may not be granted for more than 10 years. Credits may only be granted in areas designated by the governing body of the jurisdiction which are eligible to be a designated neighborhood under the Neighborhood Business Development Program. Governing bodies of local jurisdictions may establish additional restrictions or procedures for these credits.

Fiscal Summary

State Effect: None.

Local Effect: Indeterminate effect on local revenues and expenditures, as described below.

Fiscal Analysis

Local Revenues: If local governments allow these credits, local property tax revenues could decline accordingly. Any decline in revenues cannot be reliably estimated at this time, as it would depend on the extent to which the credit is allowed, the duration of the credit, eligible renovations made, and the costs of those renovations.

Local Expenditures: If local governments allow these credits, administrative costs could increase, although any such increase could be absorbed within existing resources.

Information Source(s): Department of Assessments and Taxation, Baltimore City,
Department of Fiscal Services

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Analysis by: David F. Roose

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710