

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

House Bill 879 (Frederick County Delegation)

Ways and Means

Budget and Taxation

Frederick County - County Commissioners - Building Excise Tax

This bill authorizes the County Commissioners of Frederick County to fix, impose, and collect a building excise tax for financing public road facilities. If the building excise tax is imposed, the county commissioners may not impose an impact fee for financing public road facilities. The county commissioners must conduct a comprehensive study of the impact of the building excise tax on the Frederick County economy and submit the results of the study and recommendations to the Frederick County Senators and Delegates on or before January 1, 2006.

The bill is effective July 1, 2001.

Fiscal Summary

State Effect: None.

Local Effect: Frederick County advises that it anticipates collecting approximately \$2.5 million in excise taxes annually. County expenditures are not directly affected.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill exempts from the building excise tax: (1) construction in municipal corporations that is subject to a municipal tax for public road facilities; (2) construction to be actively used for farm or agricultural use; and (3) residential construction for a single family residence existing on July 1, 2001 that increases the

square footage of the building by less than 100% of the existing permitted square footage. The bill also authorizes the County Commissioners of Frederick County to establish: (1) criteria to determine if construction qualifies for an exemption; and (2) additional building excise tax exemptions. The county commissioners must provide matching funds for capital projects for public road facilities before expending funds from the development road improvement fund. For a project on a State highway, the county commissioners must receive matching funds from the State before expending funds from the development road improvement fund.

Current Law: The County Commissioners of Frederick County are not authorized to impose a building excise tax for the financing of public road facilities.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Frederick County, Department of Legislative Services

Fiscal Note History: First Reader – March 7, 2001
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Analysis by: Christopher J. Kelter

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510