

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

House Bill 1398 (Allegany County Delegation)
Ways and Means

Allegany County - Property Tax Credit - Allegany County Agricultural Expo

This bill authorizes Allegany County or a municipal corporation in the county to grant, by law, a property tax credit against the county or municipal property tax for property that is owned by the Allegany County Agricultural Expo, Inc.

The bill takes effect June 1, 2005 and applies to all taxable years beginning after June 30, 2005.

Fiscal Summary

State Effect: None.

Local Effect: Allegany County property tax revenues could decrease by a minimal amount beginning in FY 2006. County expenditures would not be affected.

Small Business Effect: Minimal.

Analysis

Current Law: Allegany County and municipal corporations in Allegany County are authorized to grant, by law, property tax credits for: (1) property that is owned by the Upper Potomac Jaycees, Incorporated; (2) property that is owned by the Allegany Beagle Club, Incorporated; (3) property that is leased by Frostburg Community Hospital, Inc. and used for hospital purposes; (4) property that is owned by the Western Maryland Scenic Railroad; (5) property that is owned by the Frostburg Lions Club; (6) property that is owned by the Cumberland/Allegany County Industrial Foundation, Inc.; (7) property

that is owned by the La Vale Lions Club Foundation, Inc.; (8) property that is owned by the Carver Community Center, Inc.; and (9) property that is owned by the Cumberland Cultural Foundation and is known as the Gilchrist Museum.

Local Fiscal Effect: The State Department of Assessments and Taxation and Allegany County indicate that the Allegany County Agricultural Expo, Inc. does not own any real property in Allegany County. However, the entity owns personal property and, as of July 1, 2004, had a personal property assessment of \$1,570.

If Allegany County grants a tax credit on the full personal property assessment, county property tax revenues would decrease by approximately \$39 annually. To the extent that the Agricultural Expo adds additional personal property in the future, Allegany County revenues would decrease accordingly.

Additional Information

Prior Introductions: None.

Cross File: SB 947 (Senator Hafer) – Budget and Taxation.

Information Source(s): State Department of Assessments and Taxation, Allegany County, Department of Legislative Services

Fiscal Note History: First Reader - March 22, 2005
mll/hlb

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