

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 501

(Washington County Senators)

Budget and Taxation

Ways and Means

Washington County - Property Tax Credit - Platoon 22, Incorporated

This bill requires Washington County and municipalities in Washington County to grant a 100% property tax credit against the county and municipal property tax imposed on real property owned by Platoon 22, Inc. and used to provide housing to veterans. **The bill takes effect June 1, 2026, and applies to taxable years beginning after June 30, 2026.**

Fiscal Summary

State Effect: None.

Local Effect: Washington County property tax revenues decrease by approximately \$4,000 annually beginning in FY 2027 and the City of Hagerstown property tax revenues decrease by approximately \$5,000 annually. Local expenditures are not directly affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: Tax credit programs mandated by law may be applicable only to specific counties or municipalities. These credits can be found in Title 9, Subtitle 3 of the Tax-Property Article. In addition to statewide optional tax credits, some optional credits are applicable only to a specified county or municipality within a specified county. These county specific optional credits are found in Title 9, Subtitle 3 of the Tax-Property Article. **Exhibit 1** shows the mandatory and optional property tax credits in Washington County.

Exhibit 1
Washington County Property Tax Credits

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Optional Tax Credits

- (a)(1)(i) New construction/improvements to existing property
- (a)(1)(ii) Nonprofit civic association
- (a)(1)(iii) Women's Club of Hagerstown
- (a)(1)(iv) Rohrersville Cornet Band of Washington County
- (a)(1)(v) Principal residence of firefighter/fire police/EMT
- (a)(1)(vi) Hagerstown Soccer Club
- (c)(1) Personal property owned by Mid-East Milk Lab Services
- (c)(2) Real property subject to agricultural land preservation program
- (d) Qualifying commercial/industrial business
- (e) Renovated/rehabilitated business in priority funding area
- (f) New/expanding business that creates jobs
- (g) Disabled veterans/surviving spouses

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Mandatory Tax Credits

- (b)(1)(i) District 15 Civic Association-Big Pool
- (b)(1)(ii) Improvements to structure in historic district

EMT: Emergency Medical Technician

Local Fiscal Effect: Washington County property tax revenues decrease by approximately \$4,000 annually beginning in fiscal 2027 and the City of Hagerstown property tax revenues decrease by approximately \$5,000 annually. The estimate is based on the following:

- Platoon 22 owns one property, which is located in the City of Hagerstown.
- The taxable property assessment totals \$480,700 for fiscal 2027.
- The county property tax rate in Hagerstown is \$0.803 per \$100 of assessment.
- The municipal property tax rate is \$1.057 per \$100 of assessment.

Platoon 22 is a nonprofit organization that provides support services to veterans in an effort to end instances of suicide by veterans.

Property Tax Collections in Washington County

Washington County is projecting to collect \$164.2 million in property tax revenues in fiscal 2026, as shown in the [County Revenue Outlook Report](#). The City of Hagerstown is projecting to collect \$46.6 million in property tax revenues in fiscal 2026. The [Guide to Local Government Taxing Authority](#) provides an overview on each county government's statutory authority to establish property tax credits and exemptions. A copy of both reports are available on the Department of Legislative Services [website](#).

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 783 (Washington County Delegation) - Ways and Means.

Information Source(s): Washington County; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2026
sj/hlb Third Reader - March 6, 2026

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