

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
Third Reader

Senate Bill 847

(Senators Carozza and Mautz)

Budget and Taxation

Ways and Means

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Wicomico County - Property Tax Credit - Salisbury Neighborhood Housing Services, Inc.

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This bill authorizes Wicomico County and municipalities in the county to grant, by law, a property tax credit for real property that is: (1) owned by Salisbury Neighborhood Housing Services, Inc., with the intention of relinquishing ownership in the near future; (2) used for the purposes of development, rehabilitation, and transfer to a private owner; and (3) not occupied by administrative or warehouse buildings owned by Salisbury Neighborhood Housing Services, Inc. The county and municipal governments may provide, by law, for: (1) the amount, terms, scope, and duration of the tax credit; and (2) any other provision necessary to carry out the tax credit. **The bill takes effect June 1, 2026, and applies to taxable years beginning after June 30, 2026.**

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Wicomico County and municipal property tax revenues decrease by a minimal amount beginning in FY 2027 to the extent the property tax credit is granted. Expenditures are not directly affected.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** If Wicomico County or a municipality grants a property tax credit, Salisbury Neighborhood Housing Services, Inc. must submit an annual written report to the county or municipality with the following information: (1) all real property holdings

of Salisbury Neighborhood Housing Services, Inc., in the jurisdiction granting the tax credit; and (2) all transactions involving real property holdings of Salisbury Neighborhood Housing Services, Inc., in the jurisdiction granting the tax credit.

**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 optional property tax credits in Wicomico County, currently there are no mandatory property tax credits for county or municipal purposes.

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**Exhibit 1**  
**Wicomico County Property Tax Credits**

**9-324**

Optional Tax Credits

- (a) East Side Men's Club  
Agricultural land/easements in an agricultural
- (b) preservation district
- (c) Salisbury Area Chamber of Commerce

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*Salisbury Neighborhood Housing Services*

Salisbury Neighborhood Housing Services is a private non-profit organization dedicated to expanding affordable homeownership and strengthening neighborhoods in Salisbury and Wicomico County. The organization offers a variety of services including homebuyer education, credit and budget counseling, foreclosure counseling, rental counseling, loan products, property development, and grant funding. In a typical year, the organization is able to purchase one to three single family homes for rehabilitation and resale.

**Local Fiscal Effect:** Wicomico County and municipal property tax revenues decrease by a minimal amount beginning in fiscal 2027 to the extent the property tax credit is granted. The amount of the revenue decrease will vary from year to year depending on the number of properties owned by Salisbury Neighborhood Housing Services and the amount of the property tax credit granted.

As a point of reference, Salisbury Neighborhood Housing Services currently owns 14 parcels in Salisbury, including nine row houses on one block of Fitzwater Street. The total amount of taxes paid for all 14 parcels was \$3,611 for fiscal 2026.

*Property Tax Collections in Wicomico County*

The City of Salisbury is projected to collect \$27.4 million in real property taxes in fiscal 2026. Wicomico County Government is projected to collect \$79.1 million in property tax revenues in fiscal 2026, as shown in the [County Revenue Outlook Report](#). A copy of the report is available on the Department of Legislative Services [website](#).

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### **Additional Information**

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

**Designated Cross File:** HB 889 (Wicomico County Delegation) - Ways and Means.

**Information Source(s):** Wicomico County; City of Salisbury; State Department of Assessments and Taxation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2026  
js/hlb Third Reader - March 19, 2026

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