

# PROPERTY TAX SET-OFFS

## THE USE OF LOCAL PROPERTY TAX DIFFERENTIALS AND TAX REBATES IN MARYLAND FISCAL 2011



DEPARTMENT OF LEGISLATIVE SERVICES 2012

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**Property Tax Set-offs:  
The Use of Local Property Tax Differentials  
And Tax Rebates in Maryland  
Fiscal 2011**

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**Department of Legislative Services  
Office of Policy Analysis  
Annapolis, Maryland**

**January 2012**

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**DEPARTMENT OF LEGISLATIVE SERVICES**  
**OFFICE OF POLICY ANALYSIS**  
**MARYLAND GENERAL ASSEMBLY**

**Warren G. Deschenaux**  
Director

January 2012

The Honorable Thomas V. Mike Miller, Jr., President of the Senate  
The Honorable Michael E. Busch, Speaker of the House of Delegates  
Honorable Members of the General Assembly

Ladies and Gentlemen:

At the local level, counties and municipalities share in the delivery of public services. To cover the costs of these services, residents of municipalities pay property taxes to both the county and municipal government. To compensate municipalities for services provided in lieu of similar county services, many counties in Maryland have established a tax set-off system by providing either a tax differential or tax rebate to the municipality. A tax differential is a lower county property tax rate within the municipality. A tax rebate is a direct county payment to the municipality; however, the county property tax rate within the municipality remains the same.

Tax set-off systems continue to be of interest to State and local government officials. The Department of Legislative Services, in accordance with Joint Resolution 31 of 1978, conducts an annual review of local tax set-off systems, and this report summarizes the tax set-off systems for fiscal 2011. The report also provides an overview of the current law relating to tax set-offs. This report was prepared by Stanford Ward of the Office of Policy Analysis and reviewed by Michael Sanelli. Mindy McConville prepared the manuscript.

The Department of Legislative Services trusts that the study will be useful to members of the General Assembly and to other persons interested in matters relating to tax set-off systems.

Sincerely,

Warren G. Deschenaux  
Director

WGD/mlm

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## Executive Summary

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In accordance with Joint Resolution 31 of 1978, the Department of Legislative Services conducts an annual review of local tax set-off programs for municipalities. This review utilizes a written survey followed by telephone calls when necessary. Assessable base and tax rate data maintained by the State Department of Assessments and Taxation are also used in this analysis.

A property tax set-off enables county governments to compensate municipalities for governmental services or programs that municipalities provide in lieu of similar county services or programs. These set-offs may take the form of either property tax rate differentials or tax rebates. The major governmental services performed by municipalities that may result in tax set-offs include police protection, highway and street maintenance, sanitation and waste collection, planning and zoning services, and recreation and parks services.

In Maryland, 18 of the 23 counties provided property tax set-offs for their municipalities in fiscal 2011. Of the 5 remaining counties, Baltimore and Howard counties do not have municipalities, while Queen Anne's, Wicomico, and Worcester counties chose not to establish tax set-offs.

Seven counties (Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot, and Washington) provided tax rate differentials totaling \$42.3 million for their municipalities. Seven counties (Carroll, Cecil, Frederick, Kent, Montgomery, St. Mary's, and Somerset) returned to their municipalities rebates totaling \$17.5 million. Four counties (Dorchester, Garrett, Harford, and Prince George's) provided both tax

differentials and rebates to their municipalities totaling \$48.5 million. In sum, tax differentials and rebates totaled \$108.3 million in fiscal 2011, a 7.8% increase over the prior year. Tax differentials totaled \$87.3 million and tax rebates totaled \$21.0 million.

Over the last 10 years, the level of tax set-offs provided to municipalities has increased by \$69.4 million, or 178.5%, which represents an average annual increase of 10.8%. In fiscal 2001, the level of tax set-offs totaled \$38.9 million.

All counties increased the amount of tax set-offs provided to municipalities since fiscal 2001. Queen Anne's County, which provided a tax rebate through fiscal 2001, no longer provides a rebate.

Increases in tax set-off amounts have been significant in a few counties. In Frederick County, for example, the tax rebate amount for fiscal 2011 (\$7.4 million) is more than three times what it was in fiscal 2001 (\$2.2 million). In Talbot County, a tax rate differential totaling approximately \$208,900 was provided in fiscal 2001. Since that time, tax differentials provided by the county have grown to \$3.9 million in fiscal 2011.

Some of the State's larger counties have provided tax set-offs at relatively constant levels since fiscal 2001, but there have been increases in recent years. In Prince George's County, between fiscal 2001 and 2005, the total tax set-off amount provided to municipalities remained relatively steady, despite some fluctuation. In fiscal 2005, the tax set-off amount (\$12.3 million) was

slightly higher than the amount provided in fiscal 2001 (\$11.0 million). The total tax set-off amount, however, noticeably increased by fiscal 2011 to \$38.5 million.

Montgomery and Anne Arundel counties have also had significant increases in recent fiscal years. Montgomery County provided tax rebates of \$5.1 million in fiscal 2001 and \$4.7 million in fiscal 2004. In fiscal 2011, the county provided tax rebates totaling \$6.4 million. Similarly, in Anne Arundel County, the total value of the tax rate differential increased by \$14.5 million over the 10-year period. Most of this increase, however, is due to the assessable base growth in the City of Annapolis; the tax rate differential for the city actually decreased over this period.

Every county that provided a tax set-off in fiscal 2010 also provided a tax set-off in fiscal 2011. Of the 18 counties providing tax set-offs in fiscal 2011, the tax set-off amount increased over the amounts provided in fiscal 2010 in all but 5 counties. The set-off amount remained the same in Somerset County and decreased in Dorchester, Harford, Montgomery, and Talbot counties.

While the total amount of tax differentials and rebates has increased, the types of services that the municipalities performed remained basically unchanged. The services included police protection, highway and street maintenance, sanitation and waste collection, planning and zoning, and recreation and parks.

# **Property Tax Set-offs: The Use of Local Property Tax Differentials And Tax Rebates in Maryland Fiscal 2011**

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## **Introduction**

Property tax set-offs are meant to compensate for double taxation of municipal taxpayers occurring when both municipal and county property taxes are levied to fund similar services. Therefore, counties compensate municipal taxpayers with property tax set-offs through a tax rate differential or through a tax rebate. A tax rate differential results in a lower county property tax rate within the boundaries of a municipality, whereas a tax rebate is a direct payment to a municipality for providing the services or programs.

## **Structure of Local Governments**

There are 156 municipalities in Maryland. According to April 2010 census data, 15% of Maryland residents live within municipalities. However, on the Eastern Shore and in Western Maryland, there are nine counties that have over 30% of their residents living in municipalities. Compared to counties, municipalities in Maryland provide a more limited array of public services. Public works and public safety are the two largest functions of municipal governments, comprising 65% of municipal expenditures in fiscal 2010. As shown in **Exhibit 1**, municipalities accounted for approximately 5% of total local government expenditures. In four counties, municipal governments accounted for over 15% of local government expenditures.

## **Background**

Section 6-305 of the Tax-Property Article of the Annotated Code of Maryland mandates that Allegany, Anne Arundel, Baltimore, Frederick, Garrett, Harford, Howard, Montgomery, and Prince George's counties meet annually with the governing bodies of municipal corporations (municipalities) to discuss the property tax rate to be set for assessments of property in the municipal corporation. If it is demonstrated that a municipal corporation performs services or programs in lieu of similar county services and programs, the governing body of the county **shall impose** the county property tax on assessments of property in the municipal corporation at a rate that is less than the general county property tax rate.

**Exhibit 1**  
**Local Government Expenditures**  
**Fiscal 2010**  
**(\$ in Millions)**

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$26,511.6	95.3%
Municipal Level	1,294.1	4.7%
<b>Total</b>	<b>\$27,805.7</b>	<b>100.0%</b>
<u>Municipal Level</u>	<u>Expenditures</u>	<u>Percent of Total</u>
Public Works	\$543.3	42.0%
Public Safety	298.0	23.0%
General Government	182.5	14.1%
Parks, Recreation, & Culture	97.6	7.5%
Community/Economic Development	51.0	3.9%
Miscellaneous	45.9	3.6%
Debt Service	75.8	5.9%
<b>Total</b>	<b>\$1,294.1</b>	<b>100.0%</b>

Source: Department of Legislative Services

Section 6-306 governs the procedure for the setting of a tax differential in the other counties. The governing bodies of the counties are required to meet annually with governing bodies of municipal corporations to discuss the property tax rate to be set for assessments of property in the municipal corporation. If it is demonstrated that the municipal corporation performs services or programs in lieu of similar county services, the county **may establish** a county property tax rate for property in the municipal corporation that is lower than the general county property tax rate.

Alternatively, both of the above sections provide the counties with the option of making a payment to the municipal corporation to aid the municipal corporation in funding municipal services or programs that are similar to county services or programs. This is commonly known as a tax rebate.

Subsections (d) and (e) of Sections 6-305 and 6-306 of the Tax-Property Article define the procedures for determining the county property tax rate within a municipal corporation. The provisions follow:

(d) *Setting county rate for a municipal corporation.* In determining the county property tax rate to be set for assessments of property in a municipal corporation, the governing body of the county shall consider:

- (1) the services and programs that are performed by the municipal corporation instead of similar county services and programs; and
- (2) the extent that the similar services and programs are funded by property tax revenues.

(e) *Rate need not be uniform.* The county property tax rate for assessments of property located in a municipal corporation is not required to be:

- (1) the same as the rate for property located in other municipal corporations in the county; or
- (2) the same as the rate set in a prior year.

A county and one or more municipal corporations may enter into an agreement setting different terms or timing for negotiations, calculations, or approval of a tax set-off than are set out under Sections 6-305 and 6-306.

## **Scope**

This report identifies tax differentials and tax rebates made by the governing bodies of the counties during fiscal 2011. Information was obtained from a survey of the counties and the State Department of Assessments and Taxation. Specifically, assessable base information and tax rate differentials were obtained by using data from the State Department of Assessments and Taxation. The tax rate differentials are calculated per \$100 of assessed property value.

The following payments are excluded from amounts reported as tax rebates:

- mandatory State pass-through from the counties to the municipalities such as supplemental police aid and distributions from the State Fire, Rescue, and Ambulance Fund;
- county sales and services taxes, license fees, and alcoholic beverage dispensary profits required by State law to be shared with municipalities; and
- funds to which a municipality has a claim, such as Program Open Space.

## Explanation of Exhibits and Appendices

- **Exhibits 2 and 3** summarize the findings of the tax set-off study for fiscal 2011.
- **Exhibit 4** shows the magnitude of tax differentials and rebates in fiscal 2011.
- **Exhibit 5** compares the tax differential and rebate amounts for the 26 largest municipalities on a per capita basis.
- **Exhibit 6** shows the trend in tax set-offs for fiscal 2008 through 2010.
- **Exhibit 7** compares tax set-offs authorized in fiscal 2011 to those in fiscal 2010.
- **Exhibit 8** compares a county's tax set-off amount in fiscal 2011 with the amount provided in fiscal 2006.
- **Exhibit 9** shows the assessable base for municipalities in the jurisdictions that provided tax rate differentials (Allegany, Anne Arundel, Calvert, Caroline, Charles, Dorchester, Garrett, Harford, Prince George's, Talbot, and Washington counties).
- **Appendix 1** lists the municipalities by county.
- **Appendix 2** provides a listing of the tax differential and rebate amounts for each municipality in fiscal 2011 on a per capita basis.
- **Appendix 3** shows the population and the fiscal 2011 real property tax rate for each municipality.
- **Appendix 4** shows the number of municipal residents in each county.
- **Appendix 5** shows local government expenditures in fiscal 2010 for counties and municipalities by expenditure category. County expenditures include the local school systems, library boards, health departments, and local community colleges.
- **Appendix 6** depicts local government expenditures for each county.

## Summary of Findings

In Maryland, 18 of the 23 counties had property tax set-offs for municipalities in their jurisdictions in fiscal 2011. Of the 5 remaining counties, Baltimore and Howard counties have no municipalities, while Queen Anne's, Wicomico, and Worcester counties chose not to establish tax set-offs. In fiscal 2011, tax differentials and rebates totaled \$108.3 million, a 7.8% increase over the prior year. Local funding for tax differentials and rebates in fiscal 2011 ranged from \$66,700 in St. Mary's County to \$38.5 million in Prince George's County. On a per capita basis, local funding ranged from less than \$1 in St. Mary's County to \$102 in Talbot County.

Seven counties (Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot, and Washington) provided tax rate differentials totaling \$42.3 million for the municipalities in their jurisdictions. Seven counties (Carroll, Cecil, Frederick, Kent, Montgomery, St. Mary's, and Somerset) returned to the municipalities rebates totaling \$17.5 million. Four counties (Dorchester, Garrett, Harford, and Prince George's) provided both tax differentials and rebates to their municipalities. Prince George's County provided both tax rebates and tax rate differentials

to its municipalities totaling \$38.5 million – as did Harford County, totaling \$9.4 million. Dorchester County provided tax rate differentials to Cambridge and Hurlock totaling \$449,400 and provided tax rebates to its other municipalities totaling \$6,050. Garrett County had a tax rate differential totaling \$54,800 for Mountain Lake Park and provided \$208,500 in rebates to six other municipalities. For all but 5 of the 18 counties providing tax set-offs in fiscal 2011, the tax set-off amount increased over the amount provided in fiscal 2010. The set-off amount remained the same in Somerset County and decreased in Dorchester, Harford, Montgomery, and Talbot counties.

The City of Annapolis (Anne Arundel County) received the largest tax set-off amount in fiscal 2011. The county real property tax rate within the city was reduced by \$0.355 per \$100 of assessed value, resulting in a property tax revenue offset of \$25.6 million in fiscal 2011 or \$666 per city resident. The City of Bowie (Prince George's County) received the next largest tax set-off amount, with a property tax differential amount of \$12.9 million. For a majority of municipalities in Maryland, the per capita tax differential or rebate amount is under \$75 per municipal resident. In 26 municipalities (16.1%), the county government did not grant either a tax differential or tax rebate. In 13 municipalities (8.1%), the tax differential or rebate amount exceeded \$200 per municipal resident.

**Exhibit 2**  
**2011 Survey on County/Municipal Tax Differentials and Rebates**

<b>County</b>	<b>Municipal Corporations</b>	<b>(1) Sec. 6-305</b>	<b>(2) Sec. 6-306</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>
Allegany	Y	Y	N	Y	N
Anne Arundel	Y	Y	N	Y	N
Baltimore City	N	N	N	N	N
Baltimore	N	Y	N	N	N
Calvert	Y	N	Y	Y	N
Caroline	Y	N	Y	Y	N
Carroll	Y	N	Y	N	Y
Cecil	Y	N	Y	N	Y
Charles	Y	N	Y	Y	N
Dorchester	Y	N	Y	Y	Y
Frederick	Y	Y	N	N	Y
Garrett	Y	Y	N	Y	Y
Harford	Y	Y	N	Y	Y
Howard	N	Y	N	N	N
Kent	Y	N	Y	N	Y
Montgomery	Y	Y	N	N	Y
Prince George's	Y	Y	N	Y	Y
Queen Anne's	Y	N	Y	N	N
St. Mary's	Y	N	Y	N	Y
Somerset	Y	N	Y	N	Y
Talbot	Y	N	Y	Y	N
Washington	Y	N	Y	Y	N
Wicomico	Y	N	Y	N	N
Worcester	Y	N	Y	N	N

Key: Y indicates yes; N indicates no

Note: (1) Section 6-305 of the Tax-Property Article requires an annual meeting between county and municipality. Property tax differentials or rebates are mandated if a municipality provides a service in lieu of similar county services.

(2) Section 6-306 of the Tax-Property Article requires an annual meeting between county and municipality, but property tax differentials or rebates are optional.

Source: Department of Legislative Services

**Exhibit 3**  
**Tax Differentials and Tax Rebates**  
**Fiscal 2011**

<b>County</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total</b>
Allegany	\$1,314,728	\$0	\$1,314,728
Anne Arundel	25,583,433	0	25,583,433
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	4,153,934	0	4,153,934
Caroline	1,077,916	0	1,077,916
Carroll	0	2,364,423	2,364,423
Cecil	0	832,861	832,861
Charles	1,132,817	0	1,132,817
Dorchester	449,391	6,050	455,441
Frederick	0	7,402,079	7,402,079
Garrett	54,804	208,460	263,264
Harford	6,747,569	2,610,450	9,358,019
Howard	N/A	N/A	N/A
Kent	0	195,986	195,986
Montgomery	0	6,352,936	6,352,936
Prince George's	37,801,695	669,671	38,471,366
Queen Anne's	0	0	0
St. Mary's	0	66,659	66,659
Somerset	0	300,000	300,000
Talbot	3,869,879	0	3,869,879
Washington	5,129,101	0	5,129,101
Wicomico	0	0	0
Worcester	0	0	0
<b>Total</b>	<b>\$87,315,266</b>	<b>\$21,009,575</b>	<b>\$108,324,841</b>

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

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**Exhibit 4**  
**Per Capita Tax Differential and Rebate Amount**  
**Distribution Among Municipalities**  
**Fiscal 2011**

<b><u>Per Capita Amount</u></b>	<b><u>Municipalities</u></b>	<b><u>Percent of Total</u></b>
Over \$500	4	2.5%
200-499	9	5.6%
100-199	19	11.8%
75-99	21	13.0%
50-74	15	9.3%
25-49	37	23.0%
1-24	30	18.6%
0	26	16.1%
<b>Total</b>	<b>161</b>	<b>100.0%</b>

Note: Five municipalities are located in multiple counties and are counted twice in this exhibit.

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**Exhibit 5**  
**Tax Differentials and Tax Rebates – Per Capita Amounts**  
**Largest Municipalities in Maryland**  
**Fiscal 2011**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>	<b>Rank</b>
Aberdeen	14,959	\$2,977,447	\$199	7
Annapolis	38,394	25,583,433	666	1
Bel Air	10,120	3,296,989	326	2
Bladensburg	9,148	832,031	91	14
Bowie	54,727	12,901,644	236	5
Cambridge	12,326	400,797	33	21
College Park	30,413	409,804	13	25
Cumberland	20,859	897,606	43	18
Easton	15,945	2,855,214	179	8
Elkton	15,443	398,085	26	23
Frederick	65,239	5,016,903	77	16
Frostburg	9,002	317,240	35	20
Gaithersburg	59,933	1,045,654	17	24
Greenbelt	23,068	4,077,153	177	9
Hagerstown	39,662	3,968,323	100	12
Havre de Grace	12,952	3,083,583	238	4
Hyattsville	17,557	3,526,043	201	6
La Plata	8,753	1,023,372	117	11
Laurel	25,115	7,370,014	293	3
Mount Airy	9,288	379,730	41	19
Mount Rainier	8,080	725,928	90	15
New Carrollton	12,135	1,140,258	94	13
Rockville	61,209	1,894,181	31	22
Salisbury	30,343	0	0	26
Takoma Park	16,715	2,550,059	153	10
Westminster	18,590	912,289	49	17

Source: Department of Legislative Services

**Exhibit 6**  
**Tax Differentials and Tax Rebates**  
**Fiscal 2008-2010**

County	Fiscal 2008			Fiscal 2009			Fiscal 2010		
	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total
Allegany	\$967,408	\$0	\$967,408	\$1,058,874	\$0	\$1,058,874	\$1,204,375	\$0	\$1,204,375
Anne Arundel	23,536,241	0	23,536,241	26,576,259	0	26,576,259	25,314,437	0	25,314,437
Baltimore City	N/A								
Baltimore	N/A								
Calvert	2,696,158	0	2,696,158	3,268,735	0	3,268,735	3,704,026	0	3,704,026
Caroline	883,927	0	883,927	1,024,121	0	1,024,121	1,046,937	0	1,046,937
Carroll	0	2,145,793	2,145,793	0	2,232,534	2,232,534	0	2,331,479	2,331,479
Cecil	0	684,484	684,484	0	750,269	750,269	0	813,452	813,452
Charles	908,329	0	908,329	1,052,643	0	1,052,643	913,414	0	913,414
Dorchester	192,614	6,050	198,664	455,952	6,050	462,003	455,679	6,050	461,729
Frederick	0	6,581,698	6,581,698	0	7,393,431	7,393,431	0	6,601,768	6,601,768
Garrett	235,637	6,500	242,137	51,591	224,615	276,206	53,045	174,080	227,125
Harford	5,769,745	1,811,289	7,581,034	6,599,676	2,188,716	8,788,392	7,198,028	2,274,714	9,472,742
Howard	N/A								
Kent	0	164,945	164,945	0	164,945	164,945	0	185,633	185,633
Montgomery	0	7,438,235	7,438,235	0	7,424,836	7,424,836	0	7,482,613	7,482,613
Prince George's	21,252,605	669,672	21,922,277	27,571,404	669,670	28,241,074	33,605,645	669,671	34,275,316
Queen Anne's	0	0	0	0	0	0	0	0	0
St. Mary's	0	55,780	55,780	0	55,780	55,780	0	64,425	64,425
Somerset	0	0	0	0	300,000	300,000	0	300,000	300,000
Talbot	3,046,713	0	3,046,713	3,655,166	0	3,655,166	4,076,993	0	4,076,993
Washington	0	1,821,506	1,821,506	0	1,906,923	1,906,923	0	1,988,255	1,988,255
Wicomico	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$59,489,377</b>	<b>\$21,385,952</b>	<b>\$80,875,329</b>	<b>\$71,314,421</b>	<b>\$23,317,769</b>	<b>\$94,632,191</b>	<b>\$77,572,577</b>	<b>\$22,892,140</b>	<b>\$100,464,717</b>

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

**Exhibit 7**  
**Changes in Tax Differentials and Tax Rebates**  
**Fiscal 2010 and 2011**

<b>County</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Difference</b>	<b>% Difference</b>
Allegany	\$1,204,375	\$1,314,728	\$110,353	9.2%
Anne Arundel	25,314,437	25,583,433	268,997	1.1%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	3,704,026	4,153,934	449,908	12.2%
Caroline	1,046,937	1,077,916	30,979	3.0%
Carroll	2,331,479	2,364,423	32,944	1.4%
Cecil	813,452	832,861	19,409	2.4%
Charles	913,414	1,132,817	219,402	24.0%
Dorchester	461,729	455,441	(6,288)	(1.4%)
Frederick	6,601,768	7,402,079	800,311	12.1%
Garrett	227,125	263,264	36,140	15.9%
Harford	9,472,742	9,358,019	(114,723)	(1.2%)
Howard	N/A	N/A	N/A	N/A
Kent	185,633	195,986	10,353	5.6%
Montgomery	7,482,613	6,352,936	(1,129,677)	(15.1%)
Prince George's	34,275,316	38,471,366	4,196,050	12.2%
Queen Anne's	0	0	0	0
St. Mary's	64,425	66,659	2,234	3.5%
Somerset	300,000	300,000	0	0.0%
Talbot	4,076,993	3,869,879	(207,114)	(5.1%)
Washington	1,988,255	5,129,101	3,140,846	158.0%
Wicomico	0	0	0	0
Worcester	0	0	0	0
<b>Total</b>	<b>\$100,464,717</b>	<b>\$108,324,841</b>	<b>\$7,860,124</b>	<b>7.8%</b>

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

**Exhibit 8**  
**Changes in Tax Differentials and Tax Rebates**  
**Over a Five-year Period**

<b>County</b>	<b>FY 2006</b>	<b>FY 2011</b>	<b>Difference</b>	<b>% Difference</b>
Allegany	\$815,009	\$1,314,728	\$499,719	61.3%
Anne Arundel	16,524,487	25,583,433	9,058,946	54.8%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	2,002,378	4,153,934	2,151,556	107.5%
Caroline	592,504	1,077,916	485,412	81.9%
Carroll	2,130,555	2,364,423	233,868	11.0%
Cecil	491,045	832,861	341,816	69.6%
Charles	735,875	1,132,817	396,942	53.9%
Dorchester	69,000	455,441	386,441	560.1%
Frederick	5,405,180	7,402,079	1,996,899	36.9%
Garrett	214,828	263,264	48,436	22.5%
Harford	5,577,284	9,358,019	3,780,735	67.8%
Howard	N/A	N/A	N/A	N/A
Kent	128,508	195,986	67,478	52.5%
Montgomery	7,256,887	6,352,936	(903,951)	(12.5%)
Prince George's	14,288,698	38,471,366	24,182,668	169.2%
Queen Anne's	0	0	0	0.0%
St. Mary's	55,370	66,659	11,289	20.4%
Somerset	0	300,000	300,000	0.0%
Talbot	1,806,947	3,869,879	2,062,932	114.2%
Washington	1,382,248	5,129,101	3,746,853	271.1%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
<b>Total</b>	<b>\$59,476,803</b>	<b>\$108,324,841</b>	<b>\$48,848,038</b>	<b>82.1%</b>

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

**Exhibit 9**  
**County Assessable Base for Municipalities with a Tax Rate Differential**  
**Fiscal 2011**

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
<b>Allegany County</b>			
Barton	\$12,881,920	\$666,400	\$13,548,320
Cumberland	880,365,073	80,435,270	960,800,343
Frostburg	373,871,330	16,545,590	390,416,920
Lonaconing	27,330,260	3,224,040	30,554,300
Luke	61,384,340	4,966,010	66,350,350
Midland	12,354,475	442,370	12,796,845
Westernport	57,392,580	2,896,520	60,289,100
<b>Anne Arundel County</b>			
Annapolis	6,798,387,768	163,193,310	6,961,581,078
<b>Calvert County</b>			
Chesapeake Beach	923,872,645	8,055,230	931,927,875
North Beach	289,256,604	1,209,030	290,465,634
<b>Caroline County</b>			
Denton	434,474,620	3,587,610	438,062,230
Federalsburg	189,095,392	1,868,040	190,963,432
Goldsboro	13,434,591	94,530	13,529,121
Greensboro	120,364,149	1,383,830	121,747,979
Henderson	5,012,731	67,750	5,080,481
Hillsboro	12,867,765	66,820	12,934,585
Marydel	7,534,279	116,410	7,650,689
Preston	69,861,352	955,710	70,817,062
Ridgely	138,154,179	724,630	138,878,809
Templeville	1,394,733	25,130	1,419,863
<b>Charles County</b>			
Indian Head	390,872,255	1,189,380	392,061,635
LaPlata	1,203,967,382	11,642,600	1,215,609,982
Port Tobacco	3,104,730	10,000	3,114,730
<b>Dorchester County</b>			
Cambridge	1,027,685,494	14,857,470	1,042,542,964
Hurlock	124,598,009	920,350	125,518,359
<b>Garrett County</b>			
Mountain Lake Park	111,644,765	1,012,430	112,657,195

	<b><u>Real Property Base</u></b>	<b><u>Personal Property Base</u></b>	<b><u>Total Assessable Base</u></b>
<b>Harford County</b>			
Aberdeen	\$1,322,739,851	\$56,478,930	\$1,379,218,781
Bel Air	1,495,265,976	79,585,410	1,574,851,386
Havre de Grace	1,389,878,673	29,430,960	1,419,309,633
<b>Prince George's County</b>			
Berwyn Heights	302,601,159	19,418,660	322,019,819
Bladensburg	452,627,938	15,515,250	468,143,188
Bowie	8,763,062,774	120,982,950	8,884,045,724
Brentwood	218,189,400	4,158,200	222,347,600
Capitol Heights	337,786,376	7,776,280	345,562,656
Cheverly	639,689,478	16,200,910	655,890,388
College Park	2,210,776,759	57,805,620	2,268,582,379
Colmar Manor	101,580,036	2,564,970	104,145,006
Cottage City	115,223,515	3,259,260	118,482,775
District Heights	399,680,148	5,048,200	404,728,348
Eagle Harbor	11,916,530	520	11,917,050
Edmonston	152,176,758	4,826,040	157,002,798
Fairmount Heights	122,952,314	1,464,490	124,416,804
Forest Heights	198,434,000	922,330	199,356,330
Glenarden	532,843,174	5,207,170	538,050,344
Greenbelt	2,105,758,418	69,747,590	2,175,506,008
Hyattsville	1,841,235,433	69,967,050	1,911,202,483
Landover Hills	117,032,136	2,122,730	119,154,866
Laurel	3,347,755,633	87,218,240	3,434,973,873
Morningside	113,065,170	3,501,960	116,567,130
Mount Rainier	399,487,973	4,285,950	403,773,923
New Carrollton	909,687,961	12,540,880	922,228,841
North Brentwood	50,184,243	992,230	51,176,473
Riverdale Park	589,463,843	16,503,670	605,967,513
Seat Pleasant	328,560,283	6,554,380	335,114,663
University Park	332,696,681	2,193,190	334,889,871
Upper Marlboro	120,240,500	26,687,610	146,928,110
<b>Talbot County</b>			
Easton	2,165,524,541	12,321,250	2,177,845,791
Oxford	419,751,136	504,280	420,255,416
Queen Anne	8,986,370	74,720	9,061,090
St. Michaels	350,638,955	2,756,760	353,395,715
Trappe	100,048,956	475,620	100,524,576
<b>Washington County</b>			
Boonsboro	294,811,498	1,138,250	295,949,748
Clear Spring	23,379,314	966,410	24,345,724
Funkstown	52,065,005	910,000	52,975,005
Hagerstown	3,174,658,451	48,228,340	3,222,886,791
Hancock	104,724,140	1,662,100	106,386,240
Keedysville	99,429,327	2,385,750	101,815,077
Sharpsburg	42,881,029	404,560	43,285,589
Smithsburg	194,636,217	2,057,300	196,693,517
Williamsport	116,695,483	559,600	117,255,083

Source: State Department of Assessments and Taxation

## Tax Differentials/Tax Rebates by County

### Allegany County

During fiscal 2011 Allegany County provided a tax rate differential to all of its seven municipalities for performing governmental services in areas including planning and zoning, police protection, public works, highway construction and maintenance, the Upper Potomac River Commission, solid waste disposal, and emergency medical services. The rates are determined by calculating the net property tax support of each area of service and dividing it by the amount of revenue generated by \$1 of property tax levy. The estimated value of the tax differentials in fiscal 2011 is approximately \$1.3 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Barton	\$0.0354	\$0.0885	\$5,150
Cumberland	0.0830	0.2075	897,606
Frostburg	0.0764	0.1910	317,240
Lonaconing	0.0501	0.1253	17,732
Luke	0.0540	0.1350	39,852
Midland	0.0354	0.0885	4,765
Westernport	0.0501	0.1253	32,383
<b>Total</b>			<b>\$1,314,728</b>

### Anne Arundel County

Anne Arundel County set a tax rate differential of \$0.355 for real property and \$0.888 for personal property for the City of Annapolis in fiscal 2011 for providing a variety of services that the county performs outside the city limits, including police protection, fire, public works, planning and zoning, and parks and recreation. The estimated value of the tax differential in fiscal 2011 is \$25.6 million. Highland Beach, the other incorporated municipality in Anne Arundel County, did not receive a tax differential because such services are not performed by the municipality. In calculating the tax rate differential, several steps were involved. First, county spending was allocated into countywide (*e.g.*, education) and noncity (*e.g.*, police) categories. Second, all county revenues, except property taxes, are allocated to offset the cost of either countywide or noncity services. Third, costs that are offset are used to calculate countywide and noncity property tax rates. Finally, this noncity property tax rate serves as the Annapolis tax rate differential.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Annapolis	\$0.355	\$0.888	\$25,583,433

## Baltimore County

There are no incorporated municipalities solely within Baltimore County; however, a small part of Hampstead is located in the county.

## Calvert County

Calvert County provided a tax rate differential for its two municipalities for public safety, public works, parks and recreation, and economic development. In fiscal 2011, these tax differentials totaled approximately \$4.2 million. The county periodically assesses the reasonableness of the differential by calculating the net cost to the municipalities of providing duplicative public services and what the net cost to the county would be to provide the same services for the municipality. These costs are used with property assessment data to calculate a range within which the tax rate differential should fall. If the differential falls within the range, the county advises that the differentials remain unchanged.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Chesapeake Beach	\$0.3360	\$0.8400	\$3,171,876
North Beach	0.3360	0.8400	982,058
<b>Total</b>			<b>\$4,153,934</b>

## Caroline County

Caroline County provides tax rate differentials to municipalities with police protection or refuse services. The differential for municipalities with 24-hour police protection is at least \$0.06. The differential for municipalities with less than 24-hour police protection is prorated on a per-hour of coverage basis. The county imposes a \$100 refuse collection fee as well as a rate differential for refuse service of \$0.01 to cover the cost of providing the service. In fiscal 2011, Caroline County provided tax differentials totaling approximately \$1.1 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Denton	\$0.12	\$521,370
Federalsburg	0.12	226,914
Goldsboro	0.06	8,061
Greensboro	0.11	132,401
Henderson	0.06	3,008
Hillsboro	0.06	7,721
Marydel	0.06	4,521
Preston	0.05	34,931
Ridgely	0.10	138,154
Templeville	0.06	837
<b>Total</b>		<b>\$1,077,916</b>

### Carroll County

Carroll County provided its eight municipalities with tax rebates totaling \$2.4 million in fiscal 2011 in accordance with a long-standing agreement between the county and the municipalities. Funding is allocated to each municipality based in part on assessable base and population. The tax rebates were distributed as follows:

<u>Municipality</u>	<u>Rebate Amount</u>
Hampstead	\$313,253
Manchester	236,787
Mount Airy	134,829
New Windsor	62,508
Sykesville	214,416
Taneytown	418,431
Union Bridge	71,910
Westminster	912,289
<b>Total</b>	<b>\$2,364,423</b>

### Cecil County

Cecil County returned to its eight municipalities a general rebate equivalent to \$0.028 per \$100 of assessed property values for police protection, street maintenance, and street lighting. In addition, the county made rebate payments to its municipalities totaling \$129,128 in order to offset the cost of refuse and garbage collection. The trash rebate is based on the average tons per capita of refuse deposited in the county landfill (\$7.50 per ton x 0.75 tons per capita x population). The total rebate amount that municipalities in Cecil County received in fiscal 2011 was \$832,861. The amounts were distributed as follows:

<u>Municipality</u>	<u>General Rebate</u>	<u>Trash Rebate</u>	<u>Total</u>
Cecilton	\$13,504	\$2,666	\$16,170
Charlestown	34,075	5,732	39,807
Chesapeake City	23,821	4,427	28,248
Elkton	331,187	66,898	398,085
North East	91,147	15,373	106,520
Perryville	129,150	20,655	149,805
Port Deposit	18,616	3,803	22,419
Rising Sun	62,233	9,574	71,807
<b>Total</b>	<b>\$703,733</b>	<b>\$129,128</b>	<b>\$832,861</b>

## Charles County

Charles County provided a real property tax rate differential to La Plata and Indian Head in fiscal 2011 totaling \$1.1 million for performing government services in the areas of planning and growth management, police services, parks, and public works. The rate was determined by calculating the expenditures funded by property taxes for parallel services provided by the municipality and dividing this amount by the municipality's assessable base. The Town of Port Tobacco received neither a tax differential nor a tax rebate as the town did not perform any services in lieu of those performed by the county.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Indian Head	\$0.0280	\$109,444
La Plata	0.0850	1,023,372
<b>Total</b>		<b>\$1,132,817</b>

## Dorchester County

In fiscal 2011, two of Dorchester County's nine municipalities, Cambridge and Hurlock, received tax rate differentials totaling \$449,391. The county's other municipalities received tax rebates totaling \$6,050. The tax differentials are provided to compensate the municipalities for providing duplicative services including police and planning and zoning. The tax rate differentials were calculated by multiplying the net cost to the county of providing the services by the percentage of those costs funded by real property taxes and the percentage of the county's assessable property base located in each municipality. The tax rebate amounts are based on historical funding levels established by the county government.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Rebate Amount</u>	<u>Total</u>
Brookview	\$0.0000	\$0	\$450	\$450
Cambridge	0.0390	400,797	0	400,797
Church Creek	0.0000	0	425	425
East New Market	0.0000	0	1,350	1,350
Eldorado	0.0000	0	425	425
Galestown	0.0000	0	700	700
Hurlock	0.0390	48,593	0	48,593
Secretary	0.0000	0	1,350	1,350
Vienna	0.0000	0	1,350	1,350
<b>Total</b>		<b>\$449,391</b>	<b>\$6,050</b>	<b>\$455,441</b>

### Frederick County

Frederick County provided tax rebates totaling \$7.4 million in fiscal 2011 to all of its 12 municipalities for police protection, planning and zoning, and parks and recreation. The tax rebates for fiscal 2011 were determined in accordance with State law. Chapter 415 of 2010 required the county to provide tax set-offs to each municipality in fiscal 2011 in an amount that is no less than the amount granted to each municipality in fiscal 2009. In future years the amount increases by the same percentage by which the county property tax rate exceeds the constant yield tax rate. The same State law provisions apply to tax rebates granted in fiscal 2012 and fiscal 2013. The total tax rebate amounts in fiscal 2011 were as follows:

<u>Municipality</u>	<u>Rebate Amount</u>
Brunswick	\$491,888
Burkittsville	1,081
Emmitsburg	238,044
Frederick	5,016,903
Middletown	296,884
Mount Airy	244,901
Myersville	107,807
New Market	7,996
Rosemont	8,661
Thurmont	524,239
Walkersville	438,520
Woodsboro	25,155
<b>Total</b>	<b>\$7,402,079</b>

### Garrett County

In fiscal 2011, Garrett County provided a tax rate differential to Mountain Lake Park. The tax differential was granted for highway and street expenditures by the municipality. The real property tax rate differential for Mountain Lake Park is equal to the municipal property tax rate multiplied by the assessable base of county-owned property located within Mountain Lake Park. Additionally, there is a utility property tax rate differential of \$0.12 in Mountain Lake Park. The total value of the tax differentials for Mountain Lake Park was \$54,804. Garrett County also provided tax rebates to all its other municipalities, except Accident. Oakland received a rebate of \$147,000 for road paving projects and police protection, and the other municipalities received lesser rebates for their expenditures on town roads. The rebates for all the municipalities totaled \$208,460.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
Deer Park	\$0.000	\$0.000	\$0	\$15,000	\$15,000
Friendsville	0.000	0.000	0	15,000	15,000
Grantsville	0.000	0.000	0	15,000	15,000
Kitzmilller	0.000	0.000	0	15,000	15,000
Loch Lynn Heights	0.000	0.000	0	1,460	1,460
Mountain Lake Park	0.048	0.120	54,804	0	54,804
Oakland	0.000	0.000	0	147,000	147,000
<b>Total</b>			<b>\$54,804</b>	<b>\$208,460</b>	<b>\$263,264</b>

### Harford County

Harford County provided a tax differential for its three municipalities for services performed in the area of road maintenance. The estimated value of the Harford County tax rate differentials totaled \$6.7 million in fiscal 2011. The county also provided \$2.6 million in tax rebates to its municipalities for police services. The tax rebates are determined by calculating the cost of operating the Criminal Patrol Division of the County Sheriff's Department funded by county property taxes and then multiplying that figure by the ratio of each municipality's assessable tax base to the countywide assessable tax base.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
Aberdeen	\$0.146	\$0.365	\$2,137,348	\$840,099	\$2,977,447
Bel Air	0.146	0.365	2,473,575	823,414	3,296,989
Havre de Grace	0.146	0.365	2,136,646	946,937	3,083,583
<b>Total</b>			<b>\$6,747,569</b>	<b>\$2,610,450</b>	<b>\$9,358,019</b>

### Howard County

There are no incorporated municipalities in Howard County.

### Kent County

In fiscal 2011, Kent County provided a tax rebate to its five municipalities totaling \$195,986 in order to compensate the municipalities for parallel solid waste disposal services. The rebate is equivalent to \$0.02 per \$100 of the jurisdiction's assessable base. The county began providing a tax rebate to its municipalities in fiscal 2004; prior to that, the county provided its municipal residents with a tax rate differential.

<u>Municipality</u>	<u>Rebate Amount</u>
Betterton	\$13,814
Chestertown	116,147
Galena	10,534
Millington	7,651
Rock Hall	47,840
<b>Total</b>	<b>\$195,986</b>

### Montgomery County

Montgomery County provided tax rebates totaling \$6.4 million to 17 municipalities and 3 special taxing districts in fiscal 2011. The County Council reduced tax rebates for all municipalities by 15% relative to their fiscal 2010 levels. Barnesville and Chevy Chase, Section 5, were the only municipalities that did not receive a tax rebate in fiscal 2011. Approximately 60% of the county tax rebates, or \$3.8 million, were for tax-supported road reimbursements. In addition, Takoma Park received \$2.1 million for police services and crossing guards. Five communities<sup>1</sup> received a total of \$163,897 for park maintenance. Gaithersburg and Rockville received a total of \$93,946 for animal control, with Rockville receiving an additional \$97,990 for the Human Relations Commission. Three communities<sup>2</sup> received a total of \$61,357 for elderly services. The Town of Chevy Chase received \$1,054 for board of appeals and hearing examiner expenses. The current methodology and reasons for the rebates have been in place since 1996.

<u>Municipality</u>	<u>Rebate Amount</u>
Barnesville	\$0
Brookeville	6,084
Chevy Chase, Sec. 3	27,473
Chevy Chase, Sec. 5	0
Chevy Chase View	36,941
Chevy Chase Village	89,961
Chevy Chase	104,547
Drummond*	4,128
Friendship Heights*	73,945
Gaithersburg	1,045,654
Garrett Park	42,590
Glen Echo	18,579
Kensington	123,080
Laytonsville	11,625
Martin's Additions	24,012
North Chevy Chase	21,404
Oakmont*	2,933

<sup>1</sup> Chevy Chase, Sec. 3, Town of Chevy Chase, Friendship Heights, Kensington, and Takoma Park.

<sup>2</sup> Friendship Heights, Gaithersburg, and Rockville.

<u>Municipality</u>	<u>Rebate Amount</u>
Poolesville	188,505
Rockville	1,894,181
Somerset	47,035
Takoma Park	2,550,059
Washington Grove	40,200
<b>Total</b>	<b>\$6,352,936</b>

\*denotes a special taxing district

## Prince George's County

In fiscal 2011, Prince George's County provided its 27 municipalities with tax differentials valued at an estimated \$37.8 million and tax rebates totaling \$0.7 million. County law requires the cost for each service for each municipality identified in the prior year county budget to be assigned a tax rate equivalency value after adjustments are made to offset revenue directly allocated to a specific service. The aggregate municipal requests for "in lieu of" service credit, as certified by the county, are translated into a dollar value. This dollar value is calculated by totaling the products of the tax rate equivalent cost of the service multiplied by each municipality's assessable base. Each of these net service values is then reduced to reflect the portion of each county service paid for by the property tax levy. The sum of the tax rate values of the duplicative services constitutes the calculated tax rate differential for each municipality. The county uses a three-year rolling average in applying the calculated tax differentials in order to provide stability to municipal residents' county tax rates in the event of rate changes due to county services reorganization, economic fluctuations, or other factors. The county also provides tax rebates for solid waste collection and code enforcement.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate Amount</u>	<u>Total Amount</u>
Berwyn Heights	\$0.1650	\$0.3010	\$557,742	\$8,231	\$565,973
Bladensburg	0.1660	0.3750	809,545	22,486	832,031
Bowie	0.1410	0.3170	12,739,434	162,210	12,901,644
Brentwood	0.0290	0.0650	65,978	8,379	74,357
Capitol Heights	0.1510	0.3410	536,575	10,723	547,298
Cheverly	0.1590	0.3580	1,075,106	20,883	1,095,989
College Park	0.0140	0.0320	328,007	81,797	409,804
Colmar Manor	0.0980	0.2190	105,166	3,483	108,649
Cottage City	0.1460	0.3290	178,949	3,446	182,395
District Heights	0.1610	0.3630	661,810	22,500	684,310
Eagle Harbor	0.0000	0.0000	0	143	143
Edmonston	0.1460	0.3300	238,104	3,343	241,447
Fairmount Heights	0.0930	0.2100	117,421	3,908	121,329
Forest Heights	0.1060	0.2410	212,563	7,997	220,560
Glenarden	0.1360	0.3080	740,705	16,371	757,076
Greenbelt	\$0.1770	\$0.4000	\$4,006,183	\$70,970	\$4,077,153

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate Amount</u>	<u>Total Amount</u>
Hyattsville	0.1740	0.3920	3,478,020	48,023	3,526,043
Landover Hills	0.1650	0.3710	200,978	5,644	206,622
Laurel	0.2060	0.4660	7,302,814	67,200	7,370,014
Morningside	0.1370	0.3110	165,790	4,251	170,041
Mount Rainier	0.1720	0.3880	703,749	22,179	725,928
New Carrollton	0.1180	0.2660	1,106,791	33,467	1,140,258
North Brentwood	0.0090	0.0200	4,715	1,428	6,143
Riverdale Park	0.1760	0.3980	1,103,141	17,335	1,120,476
Seat Pleasant	0.1620	0.3650	556,191	14,943	571,134
University Park	0.1630	0.3670	550,345	6,254	556,599
Upper Marlboro	0.1420	0.3190	255,875	2,077	257,952
<b>Total</b>			<b>\$37,801,695</b>	<b>\$669,671</b>	<b>\$38,471,366</b>

### Queen Anne's County

Queen Anne's County did not provide tax set-offs to its municipalities in fiscal 2011.

### St. Mary's County

St. Mary's County provided a tax rebate in the amount of \$66,659 to the Town of Leonardtown in fiscal 2011 to offset taxes for duplicative services such as planning and zoning, road maintenance, and public works. The rebate is based on the assessed value of county-owned tax-exempt property within the municipality's corporate limits multiplied by an equitable tax rate on those properties.

<u>Municipality</u>	<u>Rebate Amount</u>
Leonardtown	\$66,659

### Somerset County

Somerset County provided tax rebates in fiscal 2011 to Crisfield and Princess Anne in the amount of \$300,000 to help fund the cost of several paramedics used by the local ambulance companies. In Princess Anne, payments are made directly to the Princess Anne Fire Department.

<u>Municipality</u>	<u>Rebate Amount</u>
Crisfield	\$150,000
Princess Anne	150,000
<b>Total</b>	<b>\$300,000</b>

## Talbot County

In fiscal 2011, Talbot County provided tax rate differentials totaling \$3.9 million to its five municipalities for performing governmental services in the areas of planning and zoning, police protection, building code enforcement, and parks and recreation. The county established tax rate differentials based on a “county cost for parallel services” formula up until fiscal 2000, when, in addition to the formula, additional annual adjustments were made. In recent years, the adjusted tax differential has been more than the tax differential calculated under the parallel services formula. Talbot County does not calculate a tax differential for personal property; however, the county provides a tax rate differential for utility property located in the municipalities.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Utility Tax Rate Differential</u>	<u>Differential Amount</u>
Easton	\$0.1300	\$0.3249	\$2,855,214
Oxford	0.1140	0.2851	479,954
Queen Anne	0.0580	0.1450	5,320
St. Michaels	0.1240	0.3100	443,338
Trappe	0.0850	0.2126	86,053
<b>Total</b>			<b>\$3,869,879</b>

## Washington County

For fiscal 2011, Washington County provided tax differentials to its nine municipalities for providing services such as police protection, public works, planning and zoning, and parks. Prior to fiscal 2011, the county provided tax rebates to its municipalities for providing these services. The tax differential is determined by calculating the portion of the county property tax rate that is used to fund services throughout the entire county, including in municipalities, and the portion of the county property tax rate that is used to fund services only in areas outside of municipalities. The latter tax rate is the amount of the tax differential for the municipalities. The fiscal 2011 tax differentials totaled approximately \$5.1 million, a 158.0% increase over the rebate provided in fiscal 2010.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Boonsboro	\$0.125	\$368,514
Clear Spring	0.125	29,224
Funkstown	0.125	65,081
Hagerstown	0.125	3,968,323
Hancock	0.125	130,905
Keedysville	0.125	124,287
Sharpsburg	0.125	53,601
Smithsburg	0.125	243,295
Williamsport	0.125	145,869
<b>Total</b>		<b>\$5,129,101</b>

**Wicomico County**

Wicomico County did not provide tax set-offs to its municipalities in fiscal 2011.

**Worcester County**

Worcester County did not provide tax set-offs to its municipalities in fiscal 2011.



# Appendices

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## Appendix 1

### Incorporated Cities and Towns in Maryland

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
<b>Allegany</b>			<b>Cecil</b>		
Barton	1900	Ch. 729	Cecilton	1864	Ch. 353
Cumberland	1815	Ch. 136	Charlestown	1786	Ch. 20
Frostburg	1839	Ch. 179	Chesapeake City	1849	Ch. 271
Lonaconing	1890	Ch. 132	Elkton	1821	Ch. 143
Luke	1922	Ch. 73	North East	1849	Ch. 339
Midland	1900	Ch. 681	Perryville	1882	Ch. 212
Westernport	1858	Ch. 54	Port Deposit	1824	Ch. 33
			Rising Sun	1860	Ch. 383
<b>Anne Arundel</b>			<b>Charles</b>		
Annapolis	1708	Ch.7	Indian Head	1920	Ch. 590
Highland Beach	1922	Ch. 213	La Plata	1888	Ch. 325
<b>Baltimore</b>			Port Tobacco		
None					
<b>Calvert</b>			<b>Dorchester</b>		
Chesapeake Beach	1886	Ch. 203	Brookview	1953	Ch. 704
North Beach	1910	Ch. 395	Cambridge	1793	Ch. 66
<b>Caroline</b>			Church Creek		
Denton	1802	Ch. 25	East New Market	1832	Ch. 167
Federsburg	1823	Ch. 174	Eldorado	1947	Ch. 313
Goldsboro	1906	Ch. 87	Galestown	1951	Ch. 92
Greensboro	1826	Ch. 97	Hurlock	1892	Ch. 249
Henderson	1949	Ch. 498	Secretary	1900	Ch. 555
Hillsboro	1853	Ch. 161	Vienna	1833	Ch. 216
Marydel	1929	Ch. 38	<b>Frederick</b>		
Preston	1892	Ch. 689	Brunswick	1890	Ch. 577
Ridgely	1896	Ch. 178	Burkittsville	1894	Ch. 652
Templeville (also in Queen Anne's)	1865	Ch. 86	Emmitsburg	1824	Ch. 29
<b>Carroll</b>			Frederick	1816	Ch. 74
Hampstead	1888	Ch. 295	Middletown	1833	Ch. 143
Manchester	1833	Ch. 193	Mount Airy	1894	Ch. 91
Mount Airy (also in Frederick)	1894	Ch. 91	(also in Carroll)		
New Windsor	1843	Ch. 47	Myersville	1904	Ch. 94
Sykesville	1904	Ch. 256	New Market	1878	Ch. 90
Taneytown	1836	Ch. 309	Rosemont	1953	Ch. 262
Union Bridge	1872	Ch. 174	Thurmont	1894	Ch. 16
Westminster	1818	Ch. 128	Walkersville	1892	Ch. 351
			Woodsboro	1836	Ch. 299

**Appendix 1 (continued)**

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
<b>Garrett</b>			<b>Prince George's</b>		
Accident	1916	Ch. 514	Berwyn Heights	1896	Ch. 267
Deer Park	1884	Ch. 519	Bladensburg	1854	Ch. 137
Friendsville	1902	Ch. 477	Bowie	1882	Ch. 488
Grantsville	1864	Ch. 99	Brentwood	1912	Ch. 401
Kitzmiller	1906	Ch. 285	Capitol Heights	1910	Ch. 513
Loch Lynn Heights	1896	Ch. 450	Cheverly	1931	Ch. 200
Mountain Lake Park	1931	Ch. 507	College Park	1945	Ch. 1051
Oakland	1862	Ch. 250	Colmar Manor	1927	Ch. 178
<b>Harford</b>			Cottage City	1924	Ch. 390
Aberdeen	1892	Ch. 136	District Heights	1936	Ch. 61
Bel Air	1874	Ch. 273	Eagle Harbor	1929	Ch. 397
Havre de Grace	1785	Ch. 55	Edmonston	1924	Ch. 154
<b>Howard</b>			Fairmount Heights	1935	Ch. 199
None			Forest Heights	1949	Ch. 142
<b>Kent</b>			Glenarden	1939	Ch. 650
Betterton	1906	Ch. 227	Greenbelt	1937	Ch. 532
Chestertown	1805	Ch. 101	Hyattsville	1886	Ch. 424
Galena	1858	Ch. 373	Landover Hills	1945	Ch. 465
Millington (also in Queen Anne's)	1890	Ch. 386	Laurel	1870	Ch. 260
Rock Hall	1908	Ch. 171	Morningside	1949	Ch. 589
<b>Montgomery</b>			Mount Rainier	1910	Ch. 514
Barnesville	1888	Ch. 254	New Carrollton	1953	Ch. 441
Brookeville	1808	Ch. 90	North Brentwood	1924	Ch. 508
Chevy Chase	1918	Ch. 177	Riverdale Park	1920	Ch. 731
Chevy Chase, Sec. 3	1982	Referendum	Seat Pleasant	1931	Ch. 197
Chevy Chase, Sec. 5	1982	Referendum	University Park	1936	Ch. 132
Chevy Chase View	1993	Referendum	Upper Marlboro	1870	Ch. 363
Chevy Chase Village	1910	Ch. 382	<b>Queen Anne's</b>		
Gaithersburg	1878	Ch. 397	Barclay	1931	Ch. 483
Garrett Park	1898	Ch. 453	Centreville	1794	Ch. 23
Glen Echo	1904	Ch. 436	Church Hill	1876	Ch. 201
Kensington	1894	Ch. 621	Millington	1890	Ch. 386
Laytonsville	1892	Ch. 497	(also in Kent)		
Martin's Additions	1985	Referendum	Queen Anne	1953	Ch. 17
North Chevy Chase	1996	Referendum	(also in Talbot)		
Poolesville	1867	Ch. 174	Queenstown	1892	Ch. 542
Rockville	1860	Ch. 373	Sudlersville	1870	Ch. 313
Somerset	1906	Ch. 795	Templeville	1865	Ch. 86
Takoma Park	1890	Ch. 480	(also in Caroline)		
Washington Grove	1937	Ch. 372	<b>St. Mary's</b>		
			Leonardtwn	1858	Ch. 73

### Appendix 1 (continued)

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
<b>Somerset</b>			<b>Wicomico</b>		
Crisfield	1872	Ch. 151	Delmar	1888	Ch. 167
Princess Anne	1867	Ch. 183	Fruitland	1947	Ch. 662
<b>Talbot</b>			Hebron	1931	Ch. 90
Easton	1790	Ch. 14	Mardela Springs	1906	Ch. 325
Oxford	1852	Ch. 367	Pittsville	1906	Ch. 499
Queen Anne (also in Queen Anne's)	1953	Ch. 17	Salisbury	1854	Ch. 287
St. Michaels	1804	Ch. 82	Sharptown	1874	Ch. 465
Trappe	1827	Ch. 103	Willards	1906	Ch. 195
<b>Washington</b>			<b>Worcester</b>		
Boonsboro	1831	Ch. 139	Berlin	1868	Ch. 424
Clear Spring	1836	Ch. 141	Ocean City	1880	Ch. 209
Funkstown	1840	Ch. 78	Pocomoke City	1878	Ch. 253
Hagerstown	1813	Ch. 121	Snow Hill	1812	Ch. 72
Hancock	1853	Ch. 319			
Keedysville	1872	Ch. 251			
Sharpsburg	1832	Ch. 28			
Smithsburg	1841	Ch. 284			
Williamsport	1823	Ch. 125			

Source: Maryland State Archives; Department of Legislative Services



**Appendix 2**  
**Tax Differentials and Rebates on a Per Capita Basis**  
**Fiscal 2011**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Allegheny</b>	<b>75,087</b>				
Barton	457	\$5,150	\$0	\$5,150	\$11
Cumberland	20,859	897,606	0	897,606	43
Frostburg	9,002	317,240	0	317,240	35
Lonaconing	1,214	17,732	0	17,732	15
Luke	65	39,852	0	39,852	613
Midland	446	4,765	0	4,765	11
Westernport	1,888	32,383	0	32,383	17
<b>Anne Arundel</b>	<b>537,656</b>				
Annapolis	38,394	\$25,583,433	\$0	\$25,583,433	\$666
Highland Beach	96	0	0	0	0
<b>Baltimore City</b>	<b>620,961</b>	\$0	\$0	\$0	\$0
<b>Baltimore</b>	<b>805,029</b>	\$0	\$0	\$0	\$0
<b>Calvert</b>	<b>88,737</b>				
Chesapeake Beach	5,753	\$3,171,876	\$0	\$3,171,876	\$551
North Beach	1,978	982,058	0	982,058	496
<b>Caroline</b>	<b>33,066</b>				
Denton	4,418	\$521,370	\$0	\$521,370	\$118
Federalsburg	2,739	226,914	0	226,914	83
Goldsboro	246	8,061	0	8,061	33
Greensboro	1,931	132,401	0	132,401	69
Henderson	146	3,008	0	3,008	21
Hillsboro	161	7,721	0	7,721	48
Marydel	141	4,521	0	4,521	32
Preston	719	34,931	0	34,931	49
Ridgely	1,639	138,154	0	138,154	84
Templeville*	52	837	0	837	16

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Carroll</b>	<b>167,134</b>				
Hampstead	6,323	\$0	\$313,253	\$313,253	\$50
Manchester	4,808	0	236,787	236,787	49
Mount Airy*	5,503	0	134,829	134,829	25
New Windsor	1,396	0	62,508	62,508	45
Sykesville	4,436	0	214,416	214,416	48
Taneytown	6,728	0	418,431	418,431	62
Union Bridge	975	0	71,910	71,910	74
Westminster	18,590	0	912,289	912,289	49
<b>Cecil</b>	<b>101,108</b>				
Cecilton	663	\$0	\$16,170	\$16,170	\$24
Charlestown	1,183	0	39,807	39,807	34
Chesapeake City	673	0	28,248	28,248	42
Elkton	15,443	0	398,085	398,085	26
North East	3,572	0	106,520	106,520	30
Perryville	4,361	0	149,805	149,805	34
Port Deposit	653	0	22,419	22,419	34
Rising Sun	2,781	0	71,807	71,807	26
<b>Charles</b>	<b>146,551</b>				
Indian Head	3,844	\$109,444	\$0	\$109,444	\$28
La Plata	8,753	1,023,372	0	1,023,372	117
Port Tobacco	13	0	0	0	0
<b>Dorchester</b>	<b>32,618</b>				
Brookview	60	\$0	\$450	\$450	\$8
Cambridge	12,326	400,797	0	400,797	33
Church Creek	125	0	425	425	3
East New Market	400	0	1,350	1,350	3
Eldorado	59	0	425	425	7
Galestown	138	0	700	700	5
Hurlock	2,092	48,593	0	48,593	23
Secretary	535	0	1,350	1,350	3
Vienna	271	0	1,350	1,350	5

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Frederick</b>	<b>233,385</b>				
Brunswick	5,870	\$0	\$491,888	\$491,888	\$84
Burkittsville	151	0	1,081	1,081	7
Emmitsburg	2,814	0	238,044	238,044	85
Frederick	65,239	0	5,016,903	5,016,903	77
Middletown	4,136	0	296,884	296,884	72
Mount Airy*	3,785	0	244,901	244,901	65
Myersville	1,626	0	107,807	107,807	66
New Market	656	0	7,996	7,996	12
Rosemont	294	0	8,661	8,661	29
Thurmont	6,170	0	524,239	524,239	85
Walkersville	5,800	0	438,520	438,520	76
Woodsboro	1,141	0	25,155	25,155	22
<b>Garrett</b>	<b>30,097</b>				
Accident	325	\$0	\$0	\$0	\$0
Deer Park	399	0	15,000	15,000	38
Friendsville	491	0	15,000	15,000	31
Grantsville	766	0	15,000	15,000	20
Kitzmiller	321	0	15,000	15,000	47
Loch Lynn Heights	552	0	1,460	1,460	3
Mountain Lake Park	2,092	54,804	0	54,804	26
Oakland	1,925	0	147,000	147,000	76
<b>Harford</b>	<b>244,826</b>				
Aberdeen	14,959	\$2,137,348	\$840,099	\$2,977,447	\$199
Bel Air	10,120	2,473,575	823,414	3,296,989	326
Havre de Grace	12,952	2,136,646	946,937	3,083,583	238
<b>Howard</b>	<b>287,085</b>	\$0	\$0	\$0	\$0
<b>Kent</b>	<b>20,197</b>				
Betterton	345	\$0	\$13,814	\$13,814	\$40
Chestertown	5,252	0	116,147	116,147	22
Galena	612	0	10,534	10,534	17
Millington*	605	0	7,651	7,651	13
Rock Hall	1,310	0	47,840	47,840	37

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Montgomery</b>	<b>971,777</b>				
Barnesville	172	\$0	\$0	\$0	\$0
Brookeville	134	0	6,084	6,084	45
Chevy Chase, Sec. 3	760	0	27,473	27,473	36
Chevy Chase, Sec. 5	658	0	0	0	0
Chevy Chase	2,824	0	104,547	104,547	37
Chevy Chase View	920	0	36,941	36,941	40
Chevy Chase Village	1,953	0	89,961	89,961	46
Drummond		0	4,128	4,128	n/a
Friendship Heights		0	73,945	73,945	n/a
Gaithersburg	59,933	0	1,045,654	1,045,654	17
Garrett Park	992	0	42,590	42,590	43
Glen Echo	255	0	18,579	18,579	73
Kensington	2,213	0	123,080	123,080	56
Laytonsville	353	0	11,625	11,625	33
Martin's Additions	933	0	24,012	24,012	26
North Chevy Chase	519	0	21,404	21,404	41
Oakmont		0	2,933	2,933	n/a
Poolesville	4,883	0	188,505	188,505	39
Rockville	61,209	0	1,894,181	1,894,181	31
Somerset	1,216	0	47,035	47,035	39
Takoma Park	16,715	0	2,550,059	2,550,059	153
Washington Grove	555	0	40,200	40,200	72
<b>Prince George's</b>	<b>863,420</b>				
Berwyn Heights	3,123	\$557,742	\$8,231	\$565,973	\$181
Bladensburg	9,148	809,545	22,486	832,031	91
Bowie	54,727	12,739,434	162,210	12,901,644	236
Brentwood	3,046	65,978	8,379	74,357	24
Capitol Heights	4,337	536,575	10,723	547,298	126
Cheverly	6,173	1,075,106	20,883	1,095,989	178
College Park	30,413	328,007	81,797	409,804	13
Colmar Manor	1,404	105,166	3,483	108,649	77
Cottage City	1,305	178,949	3,446	182,395	140
District Heights	5,837	661,810	22,500	684,310	117

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Prince George's (Continued)</b>					
Eagle Harbor	63	\$0	\$143	\$143	\$2
Edmonston	1,445	238,104	3,343	241,447	167
Fairmount Heights	1,494	117,421	3,908	121,329	81
Forest Heights	2,447	212,563	7,997	220,560	90
Glenarden	6,000	740,705	16,371	757,076	126
Greenbelt	23,068	4,006,183	70,970	4,077,153	177
Hyattsville	17,557	3,478,020	48,023	3,526,043	201
Landover Hills	1,687	200,978	5,644	206,622	122
Laurel	25,115	7,302,814	67,200	7,370,014	293
Morningside	2,015	165,790	4,251	170,041	84
Mount Rainier	8,080	703,749	22,179	725,928	90
New Carrollton	12,135	1,106,791	33,467	1,140,258	94
North Brentwood	517	4,715	1,428	6,143	12
Riverdale Park	6,956	1,103,141	17,335	1,120,476	161
Seat Pleasant	4,542	556,191	14,943	571,134	126
University Park	2,548	550,345	6,254	556,599	218
Upper Marlboro	631	255,875	2,077	257,952	409
<b>Queen Anne's</b>	<b>47,798</b>				
Barclay	120	\$0	\$0	\$0	\$0
Centreville	4,285	0	0	0	0
Church Hill	745	0	0	0	0
Millington*	37	0	0	0	0
Queen Anne*	128	0	0	0	0
Queenstown	664	0	0	0	0
Sudlersville	497	0	0	0	0
Templeville*	86	0	0	0	0
<b>St. Mary's</b>	<b>105,151</b>				
Leonardtown	2,930	\$0	\$66,659	\$66,659	\$23
<b>Somerset</b>	<b>26,470</b>				
Crisfield	2,726	\$0	\$150,000	\$150,000	\$55
Princess Anne	3,290	0	150,000	150,000	46

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Talbot</b>	<b>37,782</b>				
Easton	15,945	\$2,855,214	\$0	\$2,855,214	\$179
Oxford	651	479,954	0	479,954	737
Queen Anne*	94	5,320	0	5,320	57
St. Michaels	1,029	443,338	0	443,338	431
Trappe	1,077	86,053	0	86,053	80
<b>Washington</b>	<b>147,430</b>				
Boonsboro	3,336	\$368,514	\$0	\$368,514	\$110
Clear Spring	358	29,224	0	29,224	82
Funkstown	904	65,081	0	65,081	72
Hagerstown	39,662	3,968,323	0	3,968,323	100
Hancock	1,545	130,905	0	130,905	85
Keedysville	1,152	124,287	0	124,287	108
Sharpsburg	705	53,601	0	53,601	76
Smithsburg	2,975	243,295	0	243,295	82
Williamsport	2,137	145,869	0	145,869	68
<b>Wicomico</b>	<b>98,733</b>				
Delmar	3,003	\$0	\$0	\$0	\$0
Fruitland	4,866	0	0	0	0
Hebron	1,084	0	0	0	0
Mardela Springs	347	0	0	0	0
Pittsville	1,417	0	0	0	0
Salisbury	30,343	0	0	0	0
Sharptown	651	0	0	0	0
Willards	958	0	0	0	0
<b>Worcester</b>	<b>51,454</b>				
Berlin	4,485	\$0	\$0	\$0	\$0
Ocean City	7,102	0	0	0	0
Pocomoke City	4,184	0	0	0	0
Snow Hill	2,103	0	0	0	0

Note: \* means the municipality is in two counties.  
Source: Department of Legislative Services

**Appendix 3**  
**County and Municipal Real Property Tax Rates**  
**Fiscal 2011**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Allegany</b>	<b>75,087</b>	<b>\$0.9829</b>			<b>\$0.9829</b>
Barton	457	0.9475	\$0.1699	-	1.1174
Cumberland	20,859	0.8999	0.9654	-	1.8653
Frostburg	9,002	0.9065	0.5500	-	1.4565
Lonaconing	1,214	0.9328	0.3700	-	1.3028
Luke	65	0.9289	0.5500	-	1.4789
Midland	446	0.9475	0.2800	-	1.2275
Westernport	1,888	0.9328	0.6000	-	1.5328
<b>Anne Arundel</b>	<b>537,656</b>	<b>\$0.880</b>			<b>\$0.880</b>
Annapolis	38,394	0.525	\$0.530	-	1.055
Highland Beach	96	0.880	0.416	-	1.296
<b>Baltimore City</b>	<b>620,961</b>	<b>\$2.268</b>			<b>\$2.268</b>
<b>Baltimore</b>	<b>805,029</b>	<b>\$1.100</b>			<b>\$1.100</b>
<b>Calvert</b>	<b>88,737</b>	<b>\$0.892</b>			<b>\$0.892</b>
Chesapeake Beach	5,753	0.556	\$0.370	-	0.926
North Beach	1,978	0.556	0.590	-	1.146
<b>Caroline</b>	<b>33,066</b>	<b>\$0.870</b>			<b>\$0.870</b>
Denton	4,418	0.750	\$0.640	-	1.390
Federalsburg	2,739	0.750	0.640	-	1.390
Goldsboro	246	0.810	0.400	-	1.210
Greensboro	1,931	0.760	0.605	-	1.365
Henderson	146	0.810	0.300	-	1.110
Hillsboro	161	0.810	0.160	-	0.970
Marydel	141	0.810	0.300	-	1.110
Preston	719	0.820	0.360	-	1.180
Ridgely	1,639	0.770	0.481	-	1.251
Templeville*	52	0.810	0.360	-	1.170

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Carroll</b>	<b>167,134</b>	<b>\$1.048</b>			<b>\$1.048</b>
Hampstead	6,323	1.048	\$0.200	-	1.248
Manchester	4,808	1.048	0.204	-	1.252
Mount Airy*	5,503	1.048	0.170	-	1.218
New Windsor	1,396	1.048	0.200	-	1.248
Sykesville	4,436	1.048	0.330	-	1.378
Taneytown	6,728	1.048	0.320	-	1.368
Union Bridge	975	1.048	0.300	-	1.348
Westminster	18,590	1.048	0.580	-	1.628
<b>Cecil</b>	<b>101,108</b>	<b>\$0.915</b>			<b>\$0.915</b>
Cecilton	663	0.915	\$0.219	-	1.134
Charlestown	1,183	0.915	0.280	-	1.195
Chesapeake City	673	0.915	0.432	-	1.347
Elkton	15,443	0.915	0.473	-	1.388
North East	3,572	0.915	0.480	-	1.395
Perryville	4,361	0.915	0.353	-	1.268
Port Deposit	653	0.915	0.551	-	1.466
Rising Sun	2,781	0.915	0.360	-	1.275
<b>Charles</b>	<b>146,551</b>	<b>\$0.9620</b>		<b>\$0.0640</b>	<b>\$1.0260</b>
Indian Head	3,844	0.9340	\$0.3000	0.0640	1.2980
La Plata	8,753	0.8770	0.3200	0.0640	1.2610
Port Tobacco	13	0.9620	0.0400	0.0640	1.0660
<b>Dorchester</b>	<b>32,618</b>	<b>\$0.896</b>			<b>\$0.896</b>
Brookview	60	0.896	\$0.270	-	1.166
Cambridge	12,326	0.857	0.676	-	1.533
Church Creek	125	0.896	0.170	-	1.066
East New Market	400	0.896	0.600	-	1.496
Eldorado	59	0.896	0.180	-	1.076
Galestown	138	0.896	0.300	-	1.196
Hurlock	2,092	0.857	0.740	-	1.597
Secretary	535	0.896	0.320	-	1.216
Vienna	271	0.896	0.480	-	1.376

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Frederick</b>	<b>233,385</b>	<b>\$0.936</b>		<b>\$0.128</b>	<b>\$1.064</b>
Brunswick	5,870	0.936	\$0.462	0.080	1.478
Burkittsville	151	0.936	0.140	0.080	1.156
Emmitsburg	2,814	0.936	0.360	0.128	1.424
Frederick	65,239	0.936	0.650	0.128	1.714
Middletown	4,136	0.936	0.232	0.080	1.248
Mount Airy*	3,785	0.936	0.170	0.000	1.106
Myersville	1,626	0.936	0.274	0.080	1.290
New Market	656	0.936	0.120	0.128	1.184
Rosemont	294	0.936	0.040	0.080	1.056
Thurmont	6,170	0.936	0.260	0.080	1.276
Walkersville	5,800	0.936	0.156	0.080	1.172
Woodsboro	1,141	0.936	0.120	0.080	1.136
<b>Garrett</b>	<b>30,097</b>	<b>\$0.990</b>			<b>\$0.990</b>
Accident	325	0.990	\$0.313	-	1.303
Deer Park	399	0.990	0.300	-	1.290
Friendsville	491	0.990	0.260	-	1.250
Grantsville	766	0.990	0.260	-	1.250
Kitzmiller	321	0.990	0.360	-	1.350
Loch Lynn Heights	552	0.990	0.320	-	1.310
Mountain Lake Park	2,092	0.942	0.336	-	1.278
Oakland	1,925	0.990	0.472	-	1.462
<b>Harford</b>	<b>244,826</b>	<b>\$1.042</b>			<b>\$1.042</b>
Aberdeen	14,959	0.896	\$0.688	-	1.584
Bel Air	10,120	0.896	0.500	-	1.396
Havre de Grace	12,952	0.896	0.600	-	1.496
<b>Howard</b>	<b>287,085</b>	<b>\$1.014</b>		<b>\$0.1355</b>	<b>\$1.150</b>
<b>Kent</b>	<b>20,197</b>	<b>\$1.022</b>			<b>\$1.022</b>
Betterton	345	1.022	\$0.320	-	1.342
Chestertown	5,252	1.022	0.370	-	1.392
Galena	612	1.022	0.240	-	1.262
Millington*	605	1.022	0.280	-	1.302
Rock Hall	1,310	1.022	0.320	-	1.342

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Montgomery</b>	<b>971,777</b>	<b>\$0.699</b>		<b>\$0.216</b>	<b>\$0.915</b>
Barnesville	172	0.699	\$0.051	0.153	0.903
Battery Park		0.699	0.050	0.216	0.965
Brookeville	134	0.699	0.150	0.153	1.002
Chevy Chase, Sec. 3	760	0.699	0.020	0.216	0.935
Chevy Chase, Sec. 5	658	0.699	0.000	0.216	0.915
Chevy Chase	2,824	0.699	0.010	0.216	0.925
Chevy Chase View	920	0.699	0.022	0.216	0.937
Chevy Chase Village	1,953	0.699	0.090	0.216	1.005
Drummond		0.699	0.048	0.216	0.963
Friendship Heights		0.699	0.040	0.213	0.952
Gaithersburg	59,933	0.699	0.262	0.135	1.096
Garrett Park	992	0.699	0.192	0.213	1.104
Glen Echo	255	0.699	0.130	0.216	1.045
Kensington	2,213	0.699	0.136	0.213	1.048
Laytonsville	353	0.699	0.100	0.153	0.952
Martin's Additions	933	0.699	0.040	0.216	0.955
North Chevy Chase	519	0.699	0.052	0.216	0.967
Oakmont		0.699	0.040	0.216	0.955
Poolesville	4,883	0.699	0.159	0.153	1.011
Rockville	61,209	0.699	0.292	0.135	1.126
Somerset	1,216	0.699	0.080	0.216	0.995
Takoma Park	16,715	0.699	0.580	0.213	1.492
Washington Grove	555	0.699	0.221	0.135	1.055
<b>Prince George's</b>	<b>863,420</b>	<b>\$0.960</b>		<b>\$0.359</b>	<b>\$1.319</b>
Berwyn Heights	3,123	0.795	\$0.486	0.359	1.640
Bladensburg	9,148	0.794	0.740	0.359	1.893
Bowie	54,727	0.819	0.400	0.305	1.524
Brentwood	3,046	0.931	0.382	0.359	1.672
Capitol Heights	4,337	0.809	0.392	0.359	1.560
Cheverly	6,173	0.801	0.480	0.359	1.640
College Park	30,413	0.946	0.322	0.359	1.627
Colmar Manor	1,404	0.862	1.038	0.359	2.259
Cottage City	1,305	0.814	0.520	0.359	1.693
District Heights	5,837	0.799	0.730	0.186	1.715
Eagle Harbor	63	0.960	0.292	0.359	1.611

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Prince George's (Continued)</b>					
Edmonston	\$1,445	\$0.814	\$0.600	\$0.359	\$1.773
Fairmount Heights	1,494	0.867	0.420	0.359	1.646
Forest Heights	2,447	0.854	0.567	0.359	1.780
Glenarden	6,000	0.824	0.336	0.359	1.519
Greenbelt	23,068	0.783	0.790	0.246	1.819
Hyattsville	17,557	0.786	0.630	0.359	1.775
Landover Hills	1,687	0.795	0.480	0.359	1.634
Laurel	25,115	0.754	0.710	0.312	1.776
Morningside	2,015	0.823	0.780	0.359	1.962
Mount Rainier	8,080	0.788	0.790	0.359	1.937
New Carrollton	12,135	0.842	0.500	0.359	1.701
North Brentwood	517	0.951	0.347	0.359	1.657
Riverdale Park	6,956	0.784	0.677	0.359	1.820
Seat Pleasant	4,542	0.798	0.580	0.359	1.737
University Park	2,548	0.797	0.584	0.359	1.740
Upper Marlboro	631	0.818	0.240	0.359	1.417
<b>Queen Anne's</b>	<b>47,798</b>	<b>\$0.767</b>			<b>\$0.767</b>
Barclay	120	0.767	\$0.100	-	0.867
Centreville	4,285	0.767	0.380	-	1.147
Church Hill	745	0.767	0.340	-	1.107
Millington*	37	0.767	0.280	-	1.047
Queen Anne*	128	0.767	0.180	-	0.947
Queenstown	664	0.767	0.190	-	0.958
Sudlersville	497	0.767	0.167	-	0.934
Templeville*	86	0.767	0.360	-	1.127
<b>St. Mary's</b>	<b>105,151</b>	<b>\$0.857</b>			<b>\$0.857</b>
Leonardtown	2,930	0.857	\$0.126	-	0.983
<b>Somerset</b>	<b>26,470</b>	<b>\$0.884</b>			<b>\$0.884</b>
Crisfield	2,726	0.884	\$0.700	-	1.584
Princess Anne	3,290	0.884	0.954	-	1.838

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population April 2010</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Talbot</b>	<b>37,782</b>	<b>\$0.432</b>			<b>\$0.432</b>
Easton	15,945	0.302	\$0.520	-	0.822
Oxford	651	0.318	0.231	-	0.549
Queen Anne*	94	0.374	0.180	-	0.554
St. Michaels	1,029	0.308	0.640	-	0.948
Trappe	1,077	0.347	0.290	-	0.637
<b>Washington</b>	<b>147,430</b>	<b>\$0.948</b>			<b>\$0.948</b>
Boonsboro	3,336	0.823	\$0.322	-	1.145
Clear Spring	358	0.823	0.250	-	1.073
Funkstown	904	0.823	0.280	-	1.103
Hagerstown	39,662	0.823	0.788	-	1.611
Hancock	1,545	0.823	0.520	-	1.343
Keedysville	1,152	0.823	0.180	-	1.003
Sharpsburg	705	0.823	0.200	-	1.023
Smithsburg	2,975	0.823	0.350	-	1.173
Williamsport	2,137	0.823	0.485	-	1.308
<b>Wicomico</b>	<b>98,733</b>	<b>\$0.759</b>			<b>\$0.759</b>
Delmar	3,003	0.759	\$0.673	-	1.432
Fruitland	4,866	0.759	0.800	-	1.559
Hebron	1,084	0.759	0.420	-	1.179
Mardela Springs	347	0.759	0.200	-	0.959
Pittsville	1,417	0.759	0.280	-	1.039
Salisbury	30,343	0.759	0.819	-	1.578
Sharptown	651	0.759	0.600	-	1.359
Willards	958	0.759	0.460	-	1.219
<b>Worcester</b>	<b>51,454</b>	<b>\$0.700</b>			<b>\$0.700</b>
Berlin	4,485	0.700	\$0.730	-	1.430
Ocean City	7,102	0.700	0.395	-	1.095
Pocomoke City	4,184	0.700	0.750	-	1.450
Snow Hill	2,103	0.700	0.860	-	1.560

Note: (-) means that a county special rate is not imposed in the municipality.

\* means the municipality is in two counties.

Source: State Department of Assessments and Taxation; Department of Legislative Services

**Appendix 4**  
**Residents Residing in Municipalities**  
**April 1, 2010**

<b>County</b>	<b>County Population</b>	<b>Municipal Population</b>	<b>Percent of County</b>	<b>Rank</b>
Allegany	75,087	33,931	45.2%	3
Anne Arundel	537,656	38,490	7.2%	20
Baltimore City	620,961	0	0.0%	24
Baltimore	805,029	0	0.0%	24
Calvert	88,737	7,731	8.7%	18
Caroline	33,066	12,192	36.9%	7
Carroll	167,134	48,759	29.2%	10
Cecil	101,108	29,329	29.0%	11
Charles	146,551	12,610	8.6%	19
Dorchester	32,618	16,006	49.1%	2
Frederick	233,385	97,682	41.9%	5
Garrett	30,097	6,871	22.8%	13
Harford	244,826	38,031	15.5%	16
Howard	287,085	0	0.0%	24
Kent	20,197	8,124	40.2%	6
Montgomery	971,777	157,197	16.2%	15
Prince George's	863,420	235,813	27.3%	12
Queen Anne's	47,798	6,562	13.7%	17
St. Mary's	105,151	2,930	2.8%	21
Somerset	26,470	6,016	22.7%	14
Talbot	37,782	18,796	49.7%	1
Washington	147,430	52,774	35.8%	8
Wicomico	98,733	42,669	43.2%	4
Worcester	51,454	17,874	34.7%	9
<b>Total</b>	<b>5,773,552</b>	<b>890,387</b>	<b>15.4%</b>	

Source: Maryland Department of Planning; Department of Legislative Services



**Appendix 5**  
**Local Government Expenditures by Category**  
**Fiscal 2010**

<b><u>Category</u></b>	<b><u>Total Local Expenditures</u></b>	<b><u>Percent of Total</u></b>	<b><u>County Expenditures</u></b>	<b><u>Municipal Expenditures</u></b>	<b><u>Percent County</u></b>	<b><u>Percent Municipal</u></b>
General Government	\$1,693,257,516	6.1%	\$1,510,756,065	\$182,501,451	89.2%	10.8%
Public Safety						
Police	1,635,734,554	5.9%	1,418,782,326	216,952,228	86.7%	13.3%
Fire	878,329,164	3.2%	829,253,363	49,075,801	94.4%	5.6%
Corrections	358,376,521	1.3%	358,376,521	-	100.0%	0.0%
Other	298,248,673	1.1%	266,242,532	32,006,141	89.3%	10.7%
Public Works						
Transportation	1,470,421,205	5.3%	1,298,575,918	171,845,287	88.3%	11.7%
Sewer/Solid Waste/Water	2,015,204,739	7.2%	1,731,771,483	283,433,256	85.9%	14.1%
Other	94,190,431	0.3%	6,183,099	88,007,332	6.6%	93.4%
Education						
Public Schools	13,012,621,906	46.8%	13,012,621,906	-	100.0%	0.0%
Community Colleges	1,162,275,853	4.2%	1,162,275,853	-	100.0%	0.0%
Libraries	273,225,756	1.0%	273,225,756	-	100.0%	0.0%
Health/Social Services	986,884,138	3.5%	986,884,138	-	100.0%	0.0%
Parks and Recreation	787,644,470	2.8%	690,067,742	97,576,728	87.6%	12.4%
Community/Economic Development	906,324,845	3.3%	855,347,111	50,977,734	94.4%	5.6%
Miscellaneous	1,005,304,491	3.6%	959,360,128	45,944,363	95.4%	4.6%
Debt Service	1,227,690,020	4.4%	1,151,922,974	75,767,046	93.8%	6.2%
<b>Total</b>	<b>\$27,805,734,282</b>	<b>100.0%</b>	<b>\$26,511,646,915</b>	<b>\$1,294,087,367</b>	<b>95.3%</b>	<b>4.7%</b>

Source: *Local Government Finances Fiscal 2010*, Department of Legislative Services



**Appendix 6**  
**Local Government Expenditures**  
**Fiscal 2010**  
**(\$ in Millions)**

<b>County</b>	<b>County</b>	<b>Municipal</b>	<b>Total</b>	<b>Percent Municipal</b>
Allegany	\$261.2	\$55.1	\$316.3	17.4%
Anne Arundel	2,077.7	107.1	2,184.8	4.9%
Baltimore City	3,580.8	0.0	3,580.8	0.0%
Baltimore	3,061.6	0.0	3,061.6	0.0%
Calvert	404.6	10.9	415.5	2.6%
Caroline	132.0	13.4	145.4	9.2%
Carroll	684.2	48.7	733.0	6.7%
Cecil	356.7	34.2	390.9	8.7%
Charles	681.1	14.3	695.3	2.1%
Dorchester	139.1	23.5	162.6	14.5%
Frederick	1,019.4	142.0	1,161.4	12.2%
Garrett	139.7	7.7	147.5	5.2%
Harford	1,107.3	54.1	1,161.4	4.7%
Howard	1,513.2	0.0	1,513.2	0.0%
Kent	79.4	9.8	89.2	11.0%
Montgomery	5,493.5	188.8	5,682.3	3.3%
Prince George's	3,894.8	178.8	4,073.6	4.4%
Queen Anne's	206.1	8.0	214.1	3.7%
St. Mary's	374.3	3.7	378.0	1.0%
Somerset	87.9	8.5	96.4	8.8%
Talbot	112.3	71.2	183.5	38.8%
Washington	495.9	115.2	611.1	18.9%
Wicomico	356.5	60.6	417.1	14.5%
Worcester	252.5	138.6	391.0	35.4%
<b>Statewide</b>	<b>\$26,511.6</b>	<b>\$1,294.1</b>	<b>\$27,805.7</b>	<b>4.7%</b>

Source: *Local Government Finances Fiscal 2010*, Department of Legislative Services