

# PROPERTY TAX SET-OFFS

## THE USE OF LOCAL PROPERTY TAX DIFFERENTIALS AND TAX REBATES IN MARYLAND FISCAL 2012



DEPARTMENT OF LEGISLATIVE SERVICES 2013

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**Property Tax Set-offs:  
The Use of Local Property Tax Differentials  
And Tax Rebates in Maryland  
Fiscal 2012**

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

**January 2013**

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

**Warren G. Deschenaux**  
Director

January 2013

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 2012. 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 and Hiram Burch. 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 2012. 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 \$41.5 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 \$43.4 million. In sum, tax differentials and rebates totaled \$102.5 million in fiscal 2012, a 5.4% decrease compared to the prior year. Tax differentials totaled \$81.0 million and tax rebates totaled \$21.4 million.

Over the last 10 years, the level of tax set-offs provided to municipalities has increased by \$61.7 million, or 151.6%, which represents an average annual increase of 9.7%. In fiscal 2002, the level of tax set-offs totaled \$40.7 million.

All counties increased the amount of tax set-offs provided to municipalities since fiscal 2002. Increases in tax set-off amounts have been significant in a few counties. In Frederick County, for example, the tax rebate amount for fiscal 2012 (\$7.4 million) is more than twice what it was in fiscal 2002 (\$3.0 million). In Talbot County, a tax rate differential totaling approximately \$324,900 was provided in fiscal 2002. Since that time, tax differentials provided by the county have grown to \$3.9 million in fiscal 2012.

Some of the State's larger counties provided dramatically higher tax set-offs in fiscal 2012 than they did in fiscal 2002. In Prince George's County, the tax set-off amount in fiscal 2002 was \$11.6 million. This amount increased slightly to \$12.3 million in fiscal 2005. The total tax set-off amount, however, noticeably increased by fiscal 2012 to \$33.1 million.

Montgomery and Anne Arundel counties have also had significant increases in recent fiscal years. Montgomery County provided



tax rebates of \$4.4 million in fiscal 2002 and \$4.7 million in fiscal 2004. In fiscal 2012, 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 2011 also provided a tax set-off in fiscal 2012. Of the 18 counties providing tax set-offs in fiscal 2012, the tax set-off amount decreased relative to the amounts provided in fiscal 2011 in 9 counties. The set-off amount remained the same in Frederick and Somerset counties and increased in Allegany, Anne Arundel, Carroll, Cecil, Garrett, Harford, and Montgomery 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 2012**

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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 July 2011 census data, 15.4% 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 65.5% of municipal expenditures in fiscal 2011. As shown in **Exhibit 1**, municipalities accounted for approximately 4.5% of total local government expenditures. In five 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 2011**  
**(\$ in Millions)**

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$26,954.6	95.5%
Municipal Level	1,266.7	4.5%
<b>Total</b>	<b>\$28,221.3</b>	<b>100.0%</b>
<u>Municipal Level</u>	<u>Expenditures</u>	<u>Percent of Total</u>
Public Works	\$536.0	42.3%
Public Safety	293.8	23.2%
General Government	165.3	13.0%
Parks, Recreation, & Culture	101.0	8.0%
Community/Economic Development	43.8	3.5%
Miscellaneous	42.4	3.3%
Debt Service	84.4	6.7%
<b>Total</b>	<b>\$1,266.7</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 2012. 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 2012.
- **Exhibit 4** shows the magnitude of tax differentials and rebates in fiscal 2012.
- **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 2009 through 2011.
- **Exhibit 7** compares tax set-offs authorized in fiscal 2012 to those in fiscal 2011.
- **Exhibit 8** compares a county's tax set-off amount in fiscal 2012 with the amount provided in fiscal 2007.
- **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 2012 on a per capita basis.
- **Appendix 3** shows the population and the fiscal 2012 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 2011 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 2012. 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 2012, tax differentials and rebates totaled \$102.5 million, a 5.4% decrease compared to the prior year. Local funding for tax differentials and rebates in fiscal 2012 ranged from \$52,230 in St. Mary's County to \$33.1 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 \$41.5 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 \$33.1 million – as did Harford County, totaling \$9.7 million. Dorchester County provided tax rate differentials to Cambridge and Hurlock totaling \$355,679 and provided tax rebates to its other municipalities totaling \$6,050. Garrett County had a tax rate differential totaling \$56,224 for Mountain Lake Park and provided \$222,000 in rebates to six other municipalities. In 9 of the 18 counties providing tax set-offs in fiscal 2012, the tax set-off amount decreased relative to the amount provided in fiscal 2011. The set-off amount remained the same in Somerset and Frederick counties and increased in Allegany, Anne Arundel, Carroll, Cecil, Garrett, Harford, and Montgomery counties.

The City of Annapolis (Anne Arundel County) received the largest tax set-off amount in fiscal 2012. The county real property tax rate within the city was reduced by \$0.367 per \$100 of assessed value, resulting in a property tax revenue offset of \$26.2 million in fiscal 2012 or \$674 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 \$9.7 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 12 municipalities (7.5%), the tax differential or rebate amount exceeded \$200 per municipal resident.

**Exhibit 2**  
**2012 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 2012**

<b>County</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total</b>
Allegany	\$2,134,055	\$0	\$2,134,055
Anne Arundel	26,196,505	0	26,196,505
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,306,182	0	3,306,182
Caroline	549,085	0	549,085
Carroll	0	2,378,303	2,378,303
Cecil	0	837,572	837,572
Charles	1,125,822	0	1,125,822
Dorchester	355,679	6,050	361,729
Frederick	0	7,402,079	7,402,079
Garrett	56,224	222,000	278,224
Harford	6,684,475	2,975,203	9,659,678
Howard	N/A	N/A	N/A
Kent	0	193,341	193,341
Montgomery	0	6,371,842	6,371,842
Prince George's	32,410,256	692,351	33,102,607
Queen Anne's	0	0	0
St. Mary's	0	52,230	52,230
Somerset	0	300,000	300,000
Talbot	3,865,485	0	3,865,485
Washington	4,355,015	0	4,355,015
Wicomico	0	0	0
Worcester	0	0	0
<b>Total</b>	<b>\$81,038,783</b>	<b>\$21,430,971</b>	<b>\$102,469,754</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 2012**

<b><u>Per Capita Amount</u></b>	<b><u>Municipalities</u></b>	<b><u>Percent of Total</u></b>
Over \$500	3	1.9%
200-499	9	5.6%
100-199	19	11.8%
75-99	18	11.2%
50-74	20	12.4%
25-49	36	22.4%
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.

Source: Department of Legislative Services

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**Exhibit 5**  
**Tax Differentials and Tax Rebates – Per Capita Amounts**  
**Largest Municipalities in Maryland**  
**Fiscal 2012**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>	<b>Rank</b>
Aberdeen	15,063	\$3,129,831	\$208	5
Annapolis	38,880	26,196,505	674	1
Bel Air	10,187	3,213,702	315	2
Bladensburg	9,233	805,181	87	14
Bowie	55,232	9,737,557	176	8
Cambridge	12,335	306,696	25	23
College Park	30,587	425,132	14	25
Cumberland	20,739	1,461,648	70	17
Easton	16,047	2,878,252	179	7
Elkton	15,531	397,503	26	22
Frederick	66,169	5,016,903	76	16
Frostburg	8,962	483,144	54	18
Gaithersburg	61,045	1,045,654	17	24
Greenbelt	23,281	3,903,103	168	9
Hagerstown	39,890	3,189,614	80	15
Havre de Grace	13,040	3,316,144	254	3
Hyattsville	17,718	3,418,528	193	6
La Plata	8,896	1,047,535	118	11
Laurel	25,346	5,553,369	219	4
Mount Airy	9,349	406,021	43	20
Mount Rainier	8,155	711,375	87	13
New Carrollton	12,248	1,227,356	100	12
Rockville	62,334	1,894,181	30	21
Salisbury	30,484	0	0	26
Takoma Park	17,021	2,559,929	150	10
Westminster	18,606	899,216	48	19

Source: Department of Legislative Services

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**Exhibit 6**  
**Tax Differentials and Tax Rebates**  
**Fiscal 2009-2011**

County	Fiscal 2009			Fiscal 2010			Fiscal 2011		
	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total
Allegany	\$1,058,874	\$0	\$1,058,874	\$1,204,375	\$0	\$1,204,375	\$1,314,728	\$0	\$1,314,728
Anne Arundel	26,576,259	0	26,576,259	25,314,437	0	25,314,437	25,583,433	0	25,583,433
Baltimore City	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Calvert	3,268,735	0	3,268,735	3,704,026	0	3,704,026	4,153,934	0	4,153,934
Caroline	1,024,121	0	1,024,121	1,046,937	0	1,046,937	1,077,916	0	1,077,916
Carroll	0	2,232,534	2,232,534	0	2,331,479	2,331,479	0	2,364,423	2,364,423
Cecil	0	750,269	750,269	0	813,452	813,452	0	832,861	832,861
Charles	1,052,643	0	1,052,643	913,414	0	913,414	1,132,817	0	1,132,817
Dorchester	455,952	6,050	462,003	455,679	6,050	461,729	449,391	6,050	455,441
Frederick	0	7,393,431	7,393,431	0	6,601,768	6,601,768	0	7,402,079	7,402,079
Garrett	51,591	224,615	276,206	53,045	174,080	227,125	54,804	208,460	263,264
Harford	6,599,676	2,188,716	8,788,392	7,198,028	2,274,714	9,472,742	6,747,569	2,610,450	9,358,019
Howard	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kent	0	164,945	164,945	0	185,633	185,633	0	195,986	195,986
Montgomery	0	7,424,836	7,424,836	0	7,482,613	7,482,613	0	6,352,936	6,352,936
Prince George's	27,571,404	669,670	28,241,074	33,605,645	669,671	34,275,316	37,801,695	669,671	38,471,366
Queen Anne's	0	0	0	0	0	0	0	0	0
St. Mary's	0	55,780	55,780	0	64,425	64,425	0	66,659	66,659
Somerset	0	300,000	300,000	0	300,000	300,000	0	300,000	300,000
Talbot	3,655,166	0	3,655,166	4,076,993	0	4,076,993	3,869,879	0	3,869,879
Washington	0	1,906,923	1,906,923	0	1,988,255	1,988,255	5,129,101	0	5,129,101
Wicomico	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0
<b>Total</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>	<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

**Exhibit 7**  
**Changes in Tax Differentials and Tax Rebates**  
**Fiscal 2011 and 2012**

<b>County</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>Difference</b>	<b>% Difference</b>
Allegany	\$1,314,728	\$2,134,055	\$819,328	62.3%
Anne Arundel	25,583,433	26,196,505	613,071	2.4%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	4,153,934	3,306,182	(847,752)	-20.4%
Caroline	1,077,916	549,085	(528,831)	-49.1%
Carroll	2,364,423	2,378,303	13,880	0.6%
Cecil	832,861	837,572	4,711	0.6%
Charles	1,132,817	1,125,822	(6,994)	-0.6%
Dorchester	455,441	361,729	(93,712)	-20.6%
Frederick	7,402,079	7,402,079	0	0.0%
Garrett	263,264	278,224	14,959	5.7%
Harford	9,358,019	9,659,678	301,658	3.2%
Howard	N/A	N/A	N/A	N/A
Kent	195,986	193,341	(2,645)	-1.3%
Montgomery	6,352,936	6,371,842	18,906	0.3%
Prince George's	38,471,366	33,102,607	(5,368,758)	-14.0%
Queen Anne's	0	0	0	0.0%
St. Mary's	66,659	52,230	(14,429)	-21.6%
Somerset	300,000	300,000	0	0.0%
Talbot	3,869,879	3,865,485	(4,394)	-0.1%
Washington	5,129,101	4,355,015	(774,085)	-15.1%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
<b>Total</b>	<b>\$108,324,841</b>	<b>\$102,469,754</b>	<b>(\$5,855,087)</b>	<b>-5.4%</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 2007</b>	<b>FY 2012</b>	<b>Difference</b>	<b>% Difference</b>
Allegany	\$931,935	\$2,134,055	\$1,202,120	129.0%
Anne Arundel	19,614,189	26,196,505	6,582,316	33.6%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	2,365,852	3,306,182	940,330	39.7%
Caroline	727,333	549,085	(178,248)	-24.5%
Carroll	2,048,180	2,378,303	330,123	16.1%
Cecil	550,898	837,572	286,674	52.0%
Charles	472,399	1,125,822	653,423	138.3%
Dorchester	69,000	361,729	292,729	424.2%
Frederick	6,012,915	7,402,079	1,389,164	23.1%
Garrett	136,012	278,224	142,212	104.6%
Harford	6,441,297	9,659,678	3,218,381	50.0%
Howard	N/A	N/A	N/A	N/A
Kent	148,245	193,341	45,096	30.4%
Montgomery	7,438,235	6,371,842	(1,066,393)	-14.3%
Prince George's	16,085,835	33,102,607	17,016,772	105.8%
Queen Anne's	0	0	0	0.0%
St. Mary's	53,796	52,230	(1,566)	-2.9%
Somerset	0	300,000	300,000	0.0%
Talbot	2,301,956	3,865,485	1,563,529	67.9%
Washington	1,561,700	4,355,015	2,793,315	178.9%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
<b>Total</b>	<b>\$66,959,777</b>	<b>\$102,469,754</b>	<b>\$35,509,977</b>	<b>53.0%</b>

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

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**Exhibit 9**  
**County Assessable Base for Municipalities with a Tax Rate Differential**  
**Fiscal 2012**

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
<b>Allegany County</b>			
Barton	\$12,225,870	\$939,540	\$13,165,410
Cumberland	934,057,681	75,757,450	1,009,815,131
Frostburg	349,299,099	16,005,170	365,304,269
Lonaconing	26,243,553	3,802,700	30,046,253
Luke	58,789,473	4,573,300	63,362,773
Midland	11,847,294	484,520	12,331,814
Westernport	55,044,214	3,118,670	58,162,884
<b>Anne Arundel County</b>			
Annapolis	6,723,041,983	165,897,650	6,888,939,633
<b>Calvert County</b>			
Chesapeake Beach	720,666,683	8,041,650	728,708,333
North Beach	239,688,904	1,409,250	241,098,154
<b>Caroline County</b>			
Denton	339,227,506	3,437,650	342,665,156
Federalsburg	196,959,130	1,828,520	198,787,650
Goldsboro	13,259,547	82,420	13,341,967
Greensboro	122,415,593	1,273,490	123,689,083
Henderson	5,040,266	66,450	5,106,716
Hillsboro	10,854,300	65,850	10,920,150
Marydel	7,486,010	110,750	7,596,760
Preston	71,677,040	874,110	72,551,150
Ridgely	133,453,221	740,420	134,193,641
Templeville	1,397,967	25,070	1,423,037
<b>Charles County</b>			
Indian Head	279,596,933	1,258,190	280,855,123
LaPlata	1,232,394,124	12,550,540	1,244,944,664
Port Tobacco	3,113,700	10,540	3,124,240
<b>Dorchester County</b>			
Cambridge	786,400,746	15,142,450	801,543,196
Hurlock	125,596,086	961,680	126,557,766
<b>Garrett County</b>			
Mountain Lake Park	107,150,757	1,236,590	108,387,347

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
<b>Harford County</b>			
Aberdeen	\$1,380,584,070	\$62,717,370	\$1,443,301,440
Bel Air	1,330,907,729	82,967,600	1,413,875,329
Havre de Grace	1,429,891,525	29,124,610	1,459,016,135
<b>Prince George's County</b>			
Berwyn Heights	302,737,874	19,308,560	322,046,434
Bladensburg	466,460,910	14,809,200	481,270,110
Bowie	6,036,625,948	121,791,570	6,158,417,518
Brentwood	217,673,292	4,142,200	221,815,492
Capitol Heights	353,208,630	8,051,270	361,259,900
Cheverly	633,164,010	15,457,110	648,621,120
College Park	2,252,556,635	63,936,960	2,316,493,595
Colmar Manor	101,595,880	2,504,850	104,100,730
Cottage City	119,876,135	3,529,280	123,405,415
District Heights	400,762,520	5,187,730	405,950,250
Eagle Harbor	7,451,793	36,070	7,487,863
Edmonston	154,051,055	5,259,850	159,310,905
Fairmount Heights	125,125,300	1,463,830	126,589,130
Forest Heights	197,488,854	2,931,360	200,420,214
Glenarden	609,399,880	13,722,410	623,122,290
Greenbelt	2,078,492,296	68,982,270	2,147,474,566
Hyattsville	1,857,787,381	67,635,040	1,925,422,421
Landover Hills	118,404,640	1,991,820	120,396,460
Laurel	2,525,581,941	86,561,630	2,612,143,571
Morningside	114,633,210	3,412,030	118,045,240
Mount Rainier	402,916,825	4,534,710	407,451,535
New Carrollton	927,290,380	12,928,070	940,218,450
North Brentwood	50,105,325	952,930	51,058,255
Riverdale Park	606,046,016	16,183,180	622,229,196
Seat Pleasant	339,709,260	6,146,860	345,856,120
University Park	333,209,508	2,202,650	335,412,158
Upper Marlboro	91,048,401	24,157,660	115,206,061
<b>Talbot County</b>			
Easton	2,203,539,281	11,065,520	2,214,604,801
Oxford	438,569,700	764,470	439,334,170
Queen Anne	8,920,841	75,040	8,995,881
St. Michaels	314,690,099	2,785,760	317,475,859
Trappe	104,308,100	497,260	104,805,360
<b>Washington County</b>			
Boonsboro	296,628,153	1,144,720	297,772,873
Clear Spring	23,515,920	911,870	24,427,790
Funkstown	52,082,054	968,720	53,050,774
Hagerstown	2,551,691,044	35,563,660	2,587,254,704
Hancock	105,308,200	2,353,850	107,662,050
Keedysville	98,884,530	1,698,520	100,583,050
Sharpsburg	43,513,140	412,000	43,925,140
Smithsburg	194,261,650	1,890,520	196,152,170
Williamsport	118,127,480	521,060	118,648,540

Source: State Department of Assessments and Taxation

## Tax Differentials/Tax Rebates by County

### Allegany County

During fiscal 2012 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 2012 is approximately \$2.1 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Barton	\$0.0782	\$0.1955	\$11,397
Cumberland	0.1301	0.3253	1,461,648
Frostburg	0.1241	0.3103	483,144
Lonaconing	0.0986	0.2465	35,250
Luke	0.1021	0.2553	71,700
Midland	0.0782	0.1955	10,212
Westernport	0.0966	0.2415	60,704
<b>Total</b>			<b>\$2,134,055</b>

### Anne Arundel County

Anne Arundel County set a tax rate differential of \$0.367 for real property and \$0.918 for personal property for the City of Annapolis in fiscal 2012 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 2012 is \$26.2 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	\$0.367	\$0.918	\$26,196,505



## 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 2012, these tax differentials totaled approximately \$3.3 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	\$0.336	\$0.840	\$2,488,990
North Beach	0.336	0.840	817,192
<b>Total</b>			<b>\$3,306,182</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 \$0.06. The differential for municipalities with less than 24-hour police protection is prorated on a per-hour of coverage basis. The differential for municipalities that provide refuse service is \$0.01. In fiscal 2012, Caroline County provided tax differentials totaling approximately \$0.5 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Denton	\$0.07	\$237,459
Feddersburg	0.07	137,871
Goldsboro	0.01	1,326
Greensboro	0.05	61,208
Henderson	0.01	504
Hillsboro	0.01	1,085
Marydel	0.01	749
Preston	0.04	28,671
Ridgely	0.06	80,072
Templeville	0.01	140
<b>Total</b>		<b>\$549,085</b>

## Carroll County

Carroll County provided its eight municipalities with tax rebates totaling \$2.4 million in fiscal 2012 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	\$284,202
Manchester	220,078
Mount Airy	161,120
New Windsor	71,437
Sykesville	263,295
Taneytown	409,984
Union Bridge	68,971
Westminster	899,216
<b>Total</b>	<b>\$2,378,303</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 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 2012 was \$837,572. The amounts were distributed as follows:

<u>Municipality</u>	<u>General Rebate</u>	<u>Trash Rebate</u>	<u>Total</u>
Cecilton	\$13,598	\$2,666	\$16,264
Charlestown	34,990	5,732	40,722
Chesapeake City	24,116	4,427	28,543
Elkton	330,605	66,898	397,503
North East	94,361	15,373	109,734
Perryville	129,554	20,655	150,209
Port Deposit	18,895	3,803	22,697
Rising Sun	62,326	9,574	71,900
<b>Total</b>	<b>\$708,444</b>	<b>\$129,128</b>	<b>\$837,572</b>

## Charles County

Charles County provided a real property tax rate differential to La Plata and Indian Head in fiscal 2012 totaling \$1.1 million for performing government services in the areas of planning and growth management, police services, parks, and public works. The rate is 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. In fiscal 2012, the county provided the same differential amount as had been provided in fiscal 2011 instead of the rate determined by the calculation described above. 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	\$0.028	\$78,287
La Plata	0.085	1,047,535
<b>Total</b>		<b>\$1,125,822</b>

## Dorchester County

In fiscal 2012, two of Dorchester County's nine municipalities, Cambridge and Hurlock, received tax rate differentials totaling \$355,679. 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	\$0.000	\$0	\$450	\$450
Cambridge	0.039	306,696	0	306,696
Church Creek	0.000	0	425	425
East New Market	0.000	0	1,350	1,350
Eldorado	0.000	0	425	425
Galestown	0.000	0	700	700
Hurlock	0.039	48,983	0	48,983
Secretary	0.000	0	1,350	1,350
Vienna	0.000	0	1,350	1,350
<b>Total</b>		<b>\$355,679</b>	<b>\$6,050</b>	<b>\$361,729</b>

### Frederick County

Frederick County provided tax rebates totaling \$7.4 million in fiscal 2012 to all of its 12 municipalities for police protection, planning and zoning, and parks and recreation. The tax rebates for fiscal 2012 were determined in accordance with State law. Chapter 415 of 2010 and Chapter 542 of 2011 required the county to provide tax set-offs to each municipality in fiscal 2012 in an amount that is no less than the amount granted to each municipality in fiscal 2009. The rebate amount must increase 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 2013. The total tax rebate amounts in fiscal 2012 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 2012, 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 \$0.1275 in Mountain Lake Park. The total value of the tax differentials for Mountain Lake Park was \$56,224. 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 \$222,000.

<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	\$0.0000	\$0	\$15,000	\$15,000
Friendsville	0.000	0.0000	0	15,000	15,000
Grantsville	0.000	0.0000	0	15,000	15,000
Kitzmilller	0.000	0.0000	0	15,000	15,000
Loch Lynn Heights	0.000	0.0000	0	15,000	15,000
Mountain Lake Park	0.051	0.1275	56,224	0	56,224
Oakland	0.000	0.0000	0	147,000	147,000
<b>Total</b>			<b>\$56,224</b>	<b>\$222,000</b>	<b>\$278,224</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 2012. The county also provided approximately \$3 million in tax rebates to its municipalities for police services. The tax rebates are determined by calculating the 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	\$2,244,571	\$885,260	\$3,129,831
Bel Air	0.146	0.365	2,245,957	967,745	3,213,702
Havre de Grace	0.146	0.365	2,193,946	1,122,198	3,316,144
<b>Total</b>			<b>\$6,684,475</b>	<b>\$2,975,203</b>	<b>\$9,659,678</b>

### Howard County

There are no incorporated municipalities in Howard County.

### Kent County

In fiscal 2012, Kent County provided a tax rebate to its five municipalities totaling \$193,341 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	\$12,487
Chestertown	111,622
Galena	11,202
Millington	8,553
Rock Hall	49,477
<b>Total</b>	<b>\$193,341</b>

### Montgomery County

Montgomery County provided tax rebates totaling \$6.4 million to 17 municipalities and 3 special taxing districts in fiscal 2012. 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 2012. 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	113,583
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	2,559,929
Washington Grove	40,200
<b>Total</b>	<b>\$6,371,842</b>

\*denotes a special taxing district

### Prince George's County

In fiscal 2012, Prince George's County provided its 27 municipalities with tax differentials valued at an estimated \$32.4 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	\$0.1600	\$0.2740	\$537,286	\$8,231	\$545,517
Bladensburg	0.1570	0.3400	782,695	22,486	805,181
Bowie	0.1520	0.3270	9,573,930	163,627	9,737,557
Brentwood	0.0280	0.0610	63,475	8,379	71,854
Capitol Heights	0.1440	0.3120	533,740	10,723	544,463
Cheverly	0.1540	0.3320	1,026,390	20,801	1,047,191
College Park	0.0140	0.0310	335,178	89,954	425,132
Colmar Manor	0.1180	0.2540	126,245	3,483	129,728
Cottage City	0.1350	0.2910	172,103	3,446	175,549
District Heights	0.1560	0.3360	642,620	22,459	665,079
Eagle Harbor	0.0000	0.0000	0	146	146
Edmonston	0.1340	0.2900	221,682	3,356	225,038
Fairmount Heights	0.0900	0.1950	115,467	3,908	119,375
Forest Heights	0.0720	0.1600	146,882	7,997	154,879
Glenarden	0.1320	0.2850	843,517	16,371	859,888
Greenbelt	0.1720	0.3720	3,831,621	71,482	3,903,103

<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	0.1680	0.3630	3,366,598	51,930	3,418,528
Landover Hills	0.1590	0.3430	195,095	5,644	200,739
Laurel	0.2020	0.4360	5,479,084	74,285	5,553,369
Morningside	0.1240	0.2680	151,289	5,960	157,249
Mount Rainier	0.1670	0.3600	689,196	22,179	711,375
New Carrollton	0.1250	0.2690	1,193,889	33,467	1,227,356
North Brentwood	0.0090	0.0180	4,681	1,428	6,109
Riverdale Park	0.1710	0.3690	1,096,055	17,335	1,113,390
Seat Pleasant	0.1570	0.3380	554,120	14,943	569,063
University Park	0.1580	0.3400	533,960	6,254	540,214
Upper Marlboro	0.1350	0.2920	193,456	2,077	195,533
<b>Total</b>			<b>\$32,410,256</b>	<b>\$692,351</b>	<b>\$33,102,607</b>

### Queen Anne's County

Queen Anne's County did not provide tax set-offs to its municipalities in fiscal 2012.

### St. Mary's County

St. Mary's County provided a tax rebate in the amount of \$52,230 to the Town of Leonardtown in fiscal 2012 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	\$52,230

### Somerset County

Somerset County provided tax rebates in fiscal 2012 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 2012, 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	\$0.1290	\$0.3225	\$2,878,252
Oxford	0.1130	0.2825	497,743
Queen Anne	0.0570	0.1425	5,192
St. Michaels	0.1230	0.3075	395,635
Trappe	0.0840	0.2100	88,663
<b>Total</b>			<b>\$3,865,485</b>

## Washington County

For fiscal 2012, 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 2012 tax differentials totaled approximately \$4.4 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Boonsboro	\$0.125	\$370,785
Clear Spring	0.125	29,395
Funkstown	0.125	65,103
Hagerstown	0.125	3,189,614
Hancock	0.125	131,635
Keedysville	0.125	123,606
Sharpsburg	0.125	54,391
Smithsburg	0.125	242,827
Williamsport	0.125	147,659
<b>Total</b>		<b>\$4,355,015</b>

**Wicomico County**

Wicomico County did not provide tax set-offs to its municipalities in fiscal 2012.

**Worcester County**

Worcester County did not provide tax set-offs to its municipalities in fiscal 2012.



# 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	1867	Ch. 53
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 2012**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Allegheny</b>	<b>74,692</b>				
Barton	454	\$11,397	\$0	\$11,397	\$25
Cumberland	20,739	1,461,648	0	1,461,648	70
Frostburg	8,962	483,144	0	483,144	54
Lonaconing	1,208	35,250	0	35,250	29
Luke	64	71,700	0	71,700	1,120
Midland	443	10,212	0	10,212	23
Westernport	1,878	60,704	0	60,704	32
<b>Anne Arundel</b>	<b>544,403</b>				
Annapolis	38,880	\$26,196,505	\$0	\$26,196,505	\$674
Highland Beach	98	0	0	0	0
<b>Baltimore City</b>	<b>619,493</b>	\$0	\$0	\$0	\$0
<b>Baltimore</b>	<b>809,941</b>	\$0	\$0	\$0	\$0
<b>Calvert</b>	<b>89,256</b>				
Chesapeake Beach	5,788	\$2,488,990	\$0	\$2,488,990	\$430
North Beach	1,988	817,192	0	817,192	411
<b>Caroline</b>	<b>32,985</b>				
Denton	4,407	\$237,459	\$0	\$237,459	\$54
Federalsburg	2,732	137,871	0	137,871	50
Goldsboro	245	1,326	0	1,326	5
Greensboro	1,926	61,208	0	61,208	32
Henderson	146	504	0	504	3
Hillsboro	161	1,085	0	1,085	7
Marydel	141	749	0	749	5
Preston	718	28,671	0	28,671	40
Ridgely	1,634	80,072	0	80,072	49
Templeville*	52	140	0	140	3

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Carroll</b>	<b>167,288</b>				
Hampstead*	6,332	\$0	\$284,202	\$284,202	\$45
Manchester	4,813	0	220,078	220,078	46
Mount Airy*	5,509	0	161,120	161,120	29
New Windsor	1,398	0	71,437	71,437	51
Sykesville	4,439	0	263,295	263,295	59
Taneytown	6,736	0	409,984	409,984	61
Union Bridge	975	0	68,971	68,971	71
Westminster	18,606	0	899,216	899,216	48
<b>Cecil</b>	<b>101,694</b>				
Cecilton	667	\$0	\$16,264	\$16,264	\$24
Charlestown	1,189	0	40,722	40,722	34
Chesapeake City	687	0	28,543	28,543	42
Elkton	15,531	0	397,503	397,503	26
North East	3,683	0	109,734	109,734	30
Perryville	4,387	0	150,209	150,209	34
Port Deposit	657	0	22,697	22,697	35
Rising Sun	2,797	0	71,900	71,900	26
<b>Charles</b>	<b>149,130</b>				
Indian Head	3,912	\$78,287	\$0	\$78,287	\$20
La Plata	8,896	1,047,535	0	1,047,535	118
Port Tobacco	13	0	0	0	0
<b>Dorchester</b>	<b>32,640</b>				
Brookview	60	\$0	\$450	\$450	\$8
Cambridge	12,335	306,696	0	306,696	25
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	2,093	48,983	0	48,983	23
Secretary	535	0	1,350	1,350	3
Vienna	278	0	1,350	1,350	5

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Frederick</b>	<b>236,745</b>				
Brunswick	5,956	\$0	\$491,888	\$491,888	\$83
Burkittsville	153	0	1,081	1,081	7
Emmitsburg	2,852	0	238,044	238,044	83
Frederick	66,169	0	5,016,903	5,016,903	76
Middletown	4,198	0	296,884	296,884	71
Mount Airy*	3,840	0	244,901	244,901	64
Myersville	1,650	0	107,807	107,807	65
New Market	666	0	7,996	7,996	12
Rosemont	297	0	8,661	8,661	29
Thurmont	6,260	0	524,239	524,239	84
Walkersville	5,882	0	438,520	438,520	75
Woodsboro	1,159	0	25,155	25,155	22
<b>Garrett</b>	<b>30,051</b>				
Accident	325	\$0	\$0	\$0	\$0
Deer Park	399	0	15,000	15,000	38
Friendsville	490	0	15,000	15,000	31
Grantsville	765	0	15,000	15,000	20
Kitzmiller	321	0	15,000	15,000	47
Loch Lynn Heights	551	0	15,000	15,000	27
Mountain Lake Park	2,089	56,224	0	56,224	27
Oakland	1,922	0	147,000	147,000	76
<b>Harford</b>	<b>246,489</b>				
Aberdeen	15,063	\$2,244,571	\$885,260	\$3,129,831	\$208
Bel Air	10,187	2,245,957	967,745	3,213,702	315
Havre de Grace	13,040	2,193,946	1,122,198	3,316,144	254
<b>Howard</b>	<b>293,142</b>	\$0	\$0	\$0	\$0
<b>Kent</b>	<b>20,204</b>				
Betterton	345	\$0	\$12,487	\$12,487	\$36
Chestertown	5,254	0	111,622	111,622	21
Galena	611	0	11,202	11,202	18
Millington*	605	0	8,553	8,553	14
Rock Hall	1,311	0	49,477	49,477	38

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Montgomery</b>	<b>989,794</b>				
Barnesville	175	\$0	\$0	\$0	\$0
Brookeville	136	0	6,084	6,084	45
Chevy Chase, Sec. 3	774	0	27,473	27,473	35
Chevy Chase, Sec. 5	670	0	0	0	0
Chevy Chase	2,878	0	113,583	113,583	39
Chevy Chase View	936	0	36,941	36,941	39
Chevy Chase Village	1,989	0	89,961	89,961	45
Drummond		0	4,128	4,128	n/a
Friendship Heights		0	73,945	73,945	n/a
Gaithersburg	61,045	0	1,045,654	1,045,654	17
Garrett Park	1,011	0	42,590	42,590	42
Glen Echo	259	0	18,579	18,579	72
Kensington	2,254	0	123,080	123,080	55
Laytonsville	361	0	11,625	11,625	32
Martin's Additions	952	0	24,012	24,012	25
North Chevy Chase	553	0	21,404	21,404	39
Oakmont		0	2,933	2,933	n/a
Poolesville	4,973	0	188,505	188,505	38
Rockville	62,334	0	1,894,181	1,894,181	30
Somerset	1,239	0	47,035	47,035	38
Takoma Park	17,021	0	2,559,929	2,559,929	150
Washington Grove	565	0	40,200	40,200	71
<b>Prince George's</b>	<b>871,233</b>				
Berwyn Heights	3,151	\$537,286	\$8,231	\$545,517	\$173
Bladensburg	9,233	782,695	22,486	805,181	87
Bowie	55,232	9,573,930	163,627	9,737,557	176
Brentwood	3,074	63,475	8,379	71,854	23
Capitol Heights	4,377	533,740	10,723	544,463	124
Cheverly	6,231	1,026,390	20,801	1,047,191	168
College Park	30,587	335,178	89,954	425,132	14
Colmar Manor	1,417	126,245	3,483	129,728	92
Cottage City	1,316	172,103	3,446	175,549	133
District Heights	5,891	642,620	22,459	665,079	113

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</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	146	146	2
Edmonston	1,457	221,682	3,356	225,038	154
Fairmount Heights	1,508	115,467	3,908	119,375	79
Forest Heights	2,471	146,882	7,997	154,879	63
Glenarden	6,055	843,517	16,371	859,888	142
Greenbelt	23,281	3,831,621	71,482	3,903,103	168
Hyattsville	17,718	3,366,598	51,930	3,418,528	193
Landover Hills	1,704	195,095	5,644	200,739	118
Laurel	25,346	5,479,084	74,285	5,553,369	219
Morningside	2,027	151,289	5,960	157,249	78
Mount Rainier	8,155	689,196	22,179	711,375	87
New Carrollton	12,248	1,193,889	33,467	1,227,356	100
North Brentwood	522	4,681	1,428	6,109	12
Riverdale Park	7,019	1,096,055	17,335	1,113,390	159
Seat Pleasant	4,584	554,120	14,943	569,063	124
University Park	2,570	533,960	6,254	540,214	210
Upper Marlboro	638	193,456	2,077	195,533	306
<b>Queen Anne's</b>	<b>48,354</b>				
Barclay	123	\$0	\$0	\$0	\$0
Centreville	4,334	0	0	0	0
Church Hill	755	0	0	0	0
Millington*	37	0	0	0	0
Queen Anne*	128	0	0	0	0
Queenstown	671	0	0	0	0
Sudlersville	510	0	0	0	0
Templeville*	86	0	0	0	0
<b>St. Mary's</b>	<b>107,484</b>				
Leonardtwn	2,992	\$0	\$52,230	\$52,230	\$17
<b>Somerset</b>	<b>26,339</b>				
Crisfield	2,710	\$0	\$150,000	\$150,000	\$55
Princess Anne	3,269	0	150,000	150,000	46

**Appendix 2 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>Tax Differential</b>	<b>Tax Rebate</b>	<b>Total Amount</b>	<b>Per Capita Amount</b>
<b>Talbot</b>	<b>38,025</b>				
Easton	16,047	\$2,878,252	\$0	\$2,878,252	\$179
Oxford	655	497,743	0	497,743	760
Queen Anne*	94	5,192	0	5,192	55
St. Michaels	1,035	395,635	0	395,635	382
Trappe	1,085	88,663	0	88,663	82
<b>Washington</b>	<b>148,203</b>				
Boonsboro	3,354	\$370,785	\$0	\$370,785	\$111
Clear Spring	360	29,395	0	29,395	82
Funkstown	909	65,103	0	65,103	72
Hagerstown	39,890	3,189,614	0	3,189,614	80
Hancock	1,553	131,635	0	131,635	85
Keedysville	1,158	123,606	0	123,606	107
Sharpsburg	709	54,391	0	54,391	77
Smithsburg	2,991	242,827	0	242,827	81
Williamsport	2,148	147,659	0	147,659	69
<b>Wicomico</b>	<b>99,190</b>				
Delmar	3,018	\$0	\$0	\$0	\$0
Fruitland	4,890	0	0	0	0
Hebron	1,090	0	0	0	0
Mardela Springs	348	0	0	0	0
Pittsville	1,423	0	0	0	0
Salisbury	30,484	0	0	0	0
Sharptown	654	0	0	0	0
Willards	962			0	0
<b>Worcester</b>	<b>51,514</b>				
Berlin	4,491	\$0	\$0	\$0	\$0
Ocean City	7,110	0	0	0	0
Pocomoke City	4,190	0	0	0	0
Snow Hill	2,104	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 2012**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Allegany</b>	<b>74,692</b>	<b>\$0.9820</b>			<b>\$0.9820</b>
Barton	454	0.9038	\$0.1709	-	1.0747
Cumberland	20,739	0.8519	0.9654	-	1.8173
Frostburg	8,962	0.8579	0.5665	-	1.4244
Lonaconing	1,208	0.8834	0.3400	-	1.2234
Luke	64	0.8799	0.5500	-	1.4299
Midland	443	0.9038	0.2800	-	1.1838
Westernport	1,878	0.8854	0.6000	-	1.4854
<b>Anne Arundel</b>	<b>544,403</b>	<b>\$0.910</b>			<b>\$0.910</b>
Annapolis	38,880	0.543	\$0.560	-	1.103
Highland Beach	98	0.910	0.416	-	1.326
<b>Baltimore City</b>	<b>619,493</b>	<b>\$2.268</b>			<b>\$2.268</b>
<b>Baltimore</b>	<b>809,941</b>	<b>\$1.100</b>			<b>\$1.100</b>
<b>Calvert</b>	<b>89,256</b>	<b>\$0.892</b>			<b>\$0.892</b>
Chesapeake Beach	5,788	0.556	\$0.370	-	0.926
North Beach	1,988	0.556	0.630	-	1.186
<b>Caroline</b>	<b>32,985</b>	<b>\$0.870</b>			<b>\$0.870</b>
Denton	4,407	0.800	\$0.660	-	1.460
Federalsburg	2,732	0.800	0.620	-	1.420
Goldsboro	245	0.860	0.400	-	1.260
Greensboro	1,926	0.820	0.605	-	1.425
Henderson	146	0.860	0.300	-	1.160
Hillsboro	161	0.860	0.160	-	1.020
Marydel	141	0.860	0.300	-	1.160
Preston	718	0.830	0.360	-	1.190
Ridgely	1,634	0.810	0.481	-	1.291
Templeville*	52	0.860	0.360	-	1.220



**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Carroll</b>	<b>167,288</b>	<b>\$1.028</b>			<b>\$1.028</b>
Hampstead	6,332	1.028	\$0.200	-	1.228
Manchester	4,813	1.028	0.216	-	1.244
Mount Airy*	5,509	1.028	0.170	-	1.198
New Windsor	1,398	1.028	0.200	-	1.228
Sykesville	4,439	1.028	0.330	-	1.358
Taneytown	6,736	1.028	0.320	-	1.348
Union Bridge	975	1.028	0.300	-	1.328
Westminster	18,606	1.028	0.580	-	1.608
<b>Cecil</b>	<b>101,694</b>	<b>\$0.940</b>			<b>\$0.940</b>
Cecilton	667	0.940	\$0.219	-	1.159
Charlestown	1,189	0.940	0.280	-	1.220
Chesapeake City	687	0.940	0.425	-	1.365
Elkton	15,531	0.940	0.466	-	1.406
North East	3,683	0.940	0.480	-	1.420
Perryville	4,387	0.940	0.339	-	1.280
Port Deposit	657	0.940	0.551	-	1.491
Rising Sun	2,797	0.940	0.406	-	1.346
<b>Charles</b>	<b>149,130</b>	<b>\$1.0025</b>		<b>\$0.0640</b>	<b>\$1.0665</b>
Indian Head	3,912	0.9745	\$0.3000	0.0640	1.3385
La Plata	8,896	0.9175	0.3200	0.0640	1.3015
Port Tobacco	13	1.0025	0.0400	0.0640	1.1065
<b>Dorchester</b>	<b>32,640</b>	<b>\$0.976</b>			<b>\$0.976</b>
Brookview	60	0.976	\$0.270	-	1.246
Cambridge	12,335	0.937	0.789	-	1.726
Church Creek	125	0.976	0.170	-	1.146
East New Market	400	0.976	0.600	-	1.576
Eldorado	59	0.976	0.190	-	1.166
Galestown	138	0.976	0.300	-	1.276
Hurlock	2,093	0.937	0.740	-	1.677
Secretary	535	0.976	0.320	-	1.296
Vienna	278	0.976	0.480	-	1.456

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Frederick</b>	<b>236,745</b>	<b>\$0.936</b>		<b>\$0.128</b>	<b>\$1.064</b>
Brunswick	5,956	0.936	\$0.462	0.080	1.478
Burkittsville	153	0.936	0.140	0.080	1.156
Emmitsburg	2,852	0.936	0.360	0.128	1.424
Frederick	66,169	0.936	0.650	0.128	1.714
Middletown	4,198	0.936	0.232	0.080	1.248
Mount Airy*	3,840	0.936	0.170	0.000	1.106
Myersville	1,650	0.936	0.274	0.128	1.338
New Market	666	0.936	0.120	0.128	1.184
Rosemont	297	0.936	0.040	0.080	1.056
Thurmont	6,260	0.936	0.260	0.080	1.276
Walkersville	5,882	0.936	0.170	0.080	1.186
Woodsboro	1,159	0.936	0.130	0.128	1.194
<b>Garrett</b>	<b>30,051</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	490	0.990	0.290	-	1.280
Grantsville	765	0.990	0.260	-	1.250
Kitzmiller	321	0.990	0.360	-	1.350
Loch Lynn Heights	551	0.990	0.320	-	1.310
Mountain Lake Park	2,089	0.939	0.386	-	1.325
Oakland	1,922	0.990	0.472	-	1.462
<b>Harford</b>	<b>246,489</b>	<b>\$1.042</b>			<b>\$1.042</b>
Aberdeen	15,063	0.896	\$0.680	-	1.576
Bel Air	10,187	0.896	0.500	-	1.396
Havre de Grace	13,040	0.896	0.590	-	1.486
<b>Howard</b>	<b>293,142</b>	<b>\$1.014</b>		<b>\$0.1355</b>	<b>\$1.150</b>
<b>Kent</b>	<b>20,204</b>	<b>\$1.022</b>			<b>\$1.022</b>
Betterton	345	1.022	\$0.320	-	1.342
Chestertown	5,254	1.022	0.370	-	1.392
Galena	611	1.022	0.240	-	1.262
Millington*	605	1.022	0.280	-	1.302
Rock Hall	1,311	1.022	0.320	-	1.342

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Montgomery</b>	<b>989,794</b>	<b>\$0.713</b>		<b>\$0.246</b>	<b>\$0.959</b>
Barnesville	175	0.713	\$0.051	0.178	0.942
Battery Park		0.713	0.050	0.246	1.009
Brookeville	136	0.713	0.150	0.178	1.041
Chevy Chase, Sec. 3	774	0.713	0.020	0.246	0.979
Chevy Chase, Sec. 5	670	0.713	0.000	0.246	0.959
Chevy Chase	2,878	0.713	0.011	0.246	0.970
Chevy Chase View	936	0.713	0.022	0.246	0.981
Chevy Chase Village	1,989	0.713	0.101	0.246	1.060
Drummond		0.713	0.048	0.246	1.007
Friendship Heights		0.713	0.040	0.243	0.996
Gaithersburg	61,045	0.713	0.262	0.160	1.135
Garrett Park	1,011	0.713	0.210	0.243	1.166
Glen Echo	259	0.713	0.130	0.246	1.089
Kensington	2,254	0.713	0.136	0.243	1.092
Laytonsville	361	0.713	0.110	0.178	1.001
Martin's Additions	952	0.713	0.046	0.246	1.005
North Chevy Chase	553	0.713	0.052	0.246	1.011
Oakmont		0.713	0.040	0.246	0.999
Poolesville	4,973	0.713	0.159	0.178	1.050
Rockville	62,334	0.713	0.292	0.160	1.165
Somerset	1,239	0.713	0.080	0.246	1.039
Takoma Park	17,021	0.713	0.580	0.243	1.536
Washington Grove	565	0.713	0.221	0.160	1.094
<b>Prince George's</b>	<b>871,233</b>	<b>\$0.960</b>		<b>\$0.359</b>	<b>\$1.319</b>
Berwyn Heights	3,151	0.800	\$0.516	0.359	1.675
Bladensburg	9,233	0.803	0.740	0.359	1.902
Bowie	55,232	0.808	0.400	0.305	1.513
Brentwood	3,074	0.932	0.382	0.359	1.673
Capitol Heights	4,377	0.816	0.392	0.359	1.567
Cheverly	6,231	0.806	0.480	0.359	1.645
College Park	30,587	0.946	0.322	0.359	1.627
Colmar Manor	1,417	0.842	1.028	0.359	2.229
Cottage City	1,316	0.825	0.488	0.359	1.672
District Heights	5,891	0.804	0.730	0.187	1.721
Eagle Harbor	63	0.960	0.292	0.359	1.611

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</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	1,457	\$0.826	\$0.600	\$0.359	\$1.785
Fairmount Heights	1,508	0.870	0.420	0.359	1.649
Forest Heights	2,471	0.888	0.567	0.359	1.814
Glenarden	6,055	0.828	0.336	0.359	1.523
Greenbelt	23,281	0.788	0.790	0.187	1.765
Hyattsville	17,718	0.792	0.630	0.359	1.781
Landover Hills	1,704	0.801	0.480	0.359	1.640
Laurel	25,346	0.758	0.710	0.312	1.780
Morningside	2,027	0.836	0.740	0.359	1.935
Mount Rainier	8,155	0.793	0.790	0.359	1.942
New Carrollton	12,248	0.835	0.500	0.359	1.694
North Brentwood	522	0.951	0.347	0.359	1.657
Riverdale Park	7,019	0.789	0.654	0.359	1.802
Seat Pleasant	4,584	0.803	0.580	0.359	1.742
University Park	2,570	0.802	0.579	0.359	1.740
Upper Marlboro	638	0.825	0.240	0.359	1.424
<b>Queen Anne's</b>	<b>48,354</b>	<b>\$0.847</b>			<b>\$0.847</b>
Barclay	123	0.847	\$0.100	-	0.947
Centreville	4,334	0.847	0.380	-	1.227
Church Hill	755	0.847	0.340	-	1.187
Millington*	37	0.847	0.280	-	1.127
Queen Anne*	128	0.847	0.180	-	1.027
Queenstown	671	0.847	0.190	-	1.038
Sudlersville	510	0.847	0.167	-	1.014
Templeville*	86	0.847	0.360	-	1.207
<b>St. Mary's</b>	<b>107,484</b>	<b>\$0.857</b>			<b>\$0.857</b>
Leonardtown	2,992	0.857	\$0.126	-	0.983
<b>Somerset</b>	<b>26,339</b>	<b>\$0.884</b>			<b>\$0.884</b>
Crisfield	2,710	0.884	\$0.700	-	1.584
Princess Anne	3,269	0.884	0.954	-	1.838

**Appendix 3 (continued)**

<b>Jurisdiction</b>	<b>Population July 2011</b>	<b>County Rate</b>	<b>Municipal Rate</b>	<b>County Special Rate</b>	<b>Total Rate</b>
<b>Talbot</b>	<b>38,025</b>	<b>\$0.448</b>			<b>\$0.448</b>
Easton	16,047	0.319	\$0.520	-	0.839
Oxford	655	0.335	0.220	-	0.555
Queen Anne*	94	0.391	0.180	-	0.571
St. Michaels	1,035	0.325	0.580	-	0.905
Trappe	1,085	0.364	0.290	-	0.654
<b>Washington</b>	<b>148,203</b>	<b>\$0.948</b>			<b>\$0.948</b>
Boonsboro	3,354	0.823	\$0.322	-	1.145
Clear Spring	360	0.823	0.250	-	1.073
Funkstown	909	0.823	0.280	-	1.103
Hagerstown	39,890	0.823	0.788	-	1.611
Hancock	1,553	0.823	0.520	-	1.343
Keedysville	1,158	0.823	0.180	-	1.003
Sharpsburg	709	0.823	0.250	-	1.073
Smithsburg	2,991	0.823	0.350	-	1.173
Williamsport	2,148	0.823	0.485	-	1.308
<b>Wicomico</b>	<b>99,190</b>	<b>\$0.769</b>			<b>\$0.769</b>
Delmar	3,018	0.769	\$0.679	-	1.448
Fruitland	4,890	0.769	0.800	-	1.569
Hebron	1,090	0.769	0.420	-	1.189
Mardela Springs	348	0.769	0.200	-	0.969
Pittsville	1,423	0.769	0.280	-	1.049
Salisbury	30,484	0.769	0.819	-	1.588
Sharptown	654	0.769	0.600	-	1.369
Willards	962	0.769	0.460	-	1.229
<b>Worcester</b>	<b>51,514</b>	<b>\$0.700</b>			<b>\$0.700</b>
Berlin	4,491	0.700	\$0.730	-	1.430
Ocean City	7,110	0.700	0.395	-	1.095
Pocomoke City	4,190	0.700	0.750	-	1.450
Snow Hill	2,104	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**  
**July 1, 2011**

<b>County</b>	<b>County Population</b>	<b>Municipal Population</b>	<b>Percent of County</b>	<b>Rank</b>
Allegany	74,692	33,748	45.2%	3
Anne Arundel	544,403	38,978	7.2%	20
Baltimore City	619,493	0	0.0%	24
Baltimore	809,941	0	0.0%	24
Calvert	89,256	7,776	8.7%	18
Caroline	32,985	12,162	36.9%	7
Carroll	167,288	48,808	29.2%	10
Cecil	101,694	29,598	29.1%	11
Charles	149,130	12,821	8.6%	19
Dorchester	32,640	16,023	49.1%	2
Frederick	236,745	99,082	41.9%	5
Garrett	30,051	6,862	22.8%	13
Harford	246,489	38,290	15.5%	16
Howard	293,142	0	0.0%	24
Kent	20,204	8,126	40.2%	6
Montgomery	989,794	160,125	16.2%	15
Prince George's	871,233	237,875	27.3%	12
Queen Anne's	48,354	6,644	13.7%	17
St. Mary's	107,484	2,992	2.8%	21
Somerset	26,339	5,979	22.7%	14
Talbot	38,025	18,916	49.7%	1
Washington	148,203	53,072	35.8%	8
Wicomico	99,190	42,869	43.2%	4
Worcester	51,514	17,895	34.7%	9
<b>Total</b>	<b>5,828,289</b>	<b>898,641</b>	<b>15.4%</b>	

Source: Maryland Department of Planning; Department of Legislative Services



**Appendix 5**  
**Local Government Expenditures by Category**  
**Fiscal 2011**

<b>Category</b>	<b>Total Local Expenditures</b>	<b>Percent of Total</b>	<b>County Expenditures</b>	<b>Municipal Expenditures</b>	<b>Percent County</b>	<b>Percent Municipal</b>
General Government	\$1,662,557,035	5.9%	\$1,497,245,273	\$165,311,762	90.1%	9.9%
Public Safety						
Police	1,594,876,639	5.7%	1,377,965,250	216,911,389	86.4%	13.6%
Fire	873,076,298	3.1%	827,905,950	45,170,348	94.8%	5.2%
Corrections	374,673,483	1.3%	374,673,483	-	100.0%	0.0%
Other	297,739,374	1.1%	266,070,275	31,669,099	89.4%	10.6%
Public Works						
Transportation	1,347,564,221	4.8%	1,192,153,256	155,410,965	88.5%	11.5%
Sewer/Solid Waste/Water	2,083,299,275	7.4%	1,793,130,837	290,168,438	86.1%	13.9%
Other	100,268,688	0.4%	9,812,239	90,456,449	9.8%	90.2%
Education						
Public Schools	13,086,316,591	46.4%	13,086,316,591	-	100.0%	0.0%
Community Colleges	1,245,998,070	4.4%	1,245,998,070	-	100.0%	0.0%
Libraries	267,655,991	0.9%	267,655,991	-	100.0%	0.0%
Health/Social Services	976,963,818	3.5%	976,963,818	-	100.0%	0.0%
Parks and Recreation	736,647,134	2.6%	635,650,008	100,997,126	86.3%	13.7%
Community/Economic Development	812,269,647	2.9%	768,501,815	43,767,832	94.6%	5.4%
Miscellaneous	1,079,599,727	3.8%	1,037,197,029	42,402,698	96.1%	3.9%
Debt Service	1,681,795,381	6.0%	1,597,367,774	84,427,607	95.0%	5.0%
<b>Total</b>	<b>\$28,221,301,372</b>	<b>100.0%</b>	<b>\$26,954,607,659</b>	<b>\$1,266,693,713</b>	<b>95.5%</b>	<b>4.5%</b>

Source: *Local Government Finances Fiscal 2011*, Department of Legislative Services





**Appendix 6**  
**Local Government Expenditures**  
**Fiscal 2011**  
**(\$ in Millions)**

<b>County</b>	<b>County Level</b>	<b>Municipal Level</b>	<b>Total</b>	<b>Percent Municipal</b>
Allegany	\$253.4	\$57.7	\$311.1	18.5%
Anne Arundel	2,137.6	76.7	2,214.3	3.5%
Baltimore City	3,514.3	0.0	3,514.3	0.0%
Baltimore	3,137.7	0.0	3,137.7	0.0%
Calvert	414.4	15.5	429.9	3.6%
Caroline	126.5	14.5	141.0	10.3%
Carroll	666.1	48.8	714.9	6.8%
Cecil	377.7	35.4	413.1	8.6%
Charles	692.6	13.5	706.1	1.9%
Dorchester	130.3	22.5	152.7	14.7%
Frederick	972.4	131.4	1,103.8	11.9%
Garrett	137.1	6.5	143.6	4.5%
Harford	1,032.0	54.2	1,086.2	5.0%
Howard	1,609.4	0.0	1,609.4	0.0%
Kent	83.3	10.1	93.4	10.8%
Montgomery	5,774.6	196.5	5,971.1	3.3%
Prince George's	3,988.0	187.3	4,175.3	4.5%
Queen Anne's	215.3	8.0	223.2	3.6%
St. Mary's	373.6	4.9	378.4	1.3%
Somerset	87.8	7.5	95.3	7.8%
Talbot	130.0	76.7	206.7	37.1%
Washington	519.0	106.7	625.7	17.1%
Wicomico	334.7	62.0	396.7	15.6%
Worcester	246.9	130.6	377.4	34.6%
<b>Statewide</b>	<b>\$26,954.6</b>	<b>\$1,266.7</b>	<b>\$28,221.3</b>	<b>4.5%</b>

Source: *Local Government Finances Fiscal 2011*, Department of Legislative Services