

BERNARD C. "JACK" YOUNG MAYOR

Office of Government Relations 88 State Circle Annapolis, Maryland 21401

HB 621

February 18, 2020

TO: Members of the House Appropriations Committee

FROM: Nicholas Blendy, Deputy Director of Government Relations

RE: House Bill 621 - County Tax Fairness Act

POSITION: SUPPORT

Chair McIntosh, Vice Chair Jackson, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 621.

If enacted, HB 621 would extend the time period in which local jurisdictions must reimburse the local income tax reserve account pursuant to specified refunds resulting from the final decision under *Maryland State Comptroller of the Treasury v. Brian Wynne, et ux.*¹ As the Committee will recall, this was a case that upended the taxation structure that all counties were operating under in good faith.

HB 621 extends the time frame by which the reimbursements from the counties will be made to the Comptroller's Local Income Tax Reserve Account. Practically, this would mean more flexibility to the BCA in reimbursing monies back to the State that were used to comply with the court ruling in the *Wynne* case. While the BCA was not impacted as heavily by the *Wynne* decision as other local jurisdictions, the passage of HB 621 would mean less local revenue in our local budget would need to be used for *Wynne* reimbursements, and therefore could be reallocated towards other priorities.

For the foregoing reasons, we respectfully request a favorable report on HB 621.

¹ 431 Md. 147 (2013).