

February 27, 2020

The Honorable Anne R. Kaiser  
Chair, House Ways and Means Committee  
House Office Building, Room 131  
6 Bladen Street  
Annapolis, MD 21401

**RE: Opposition of House Bill 1276 (County Property Tax - Classifications of Real Property and Authority to Set Special Rates)**

Dear Chairwoman Kaiser:

The Maryland Building Industry Association (MBIA), representing 100,000 employees of the building industry across the State of Maryland, opposes House Bill 1276 (County Property Tax - Classifications of Real Property and Authority to Set Special Rates).

This bill authorizes counties to set special real property tax rates for any subclass of real property that is subject to the county property tax, and establishes new subclasses of real property.

Given the expensive initiatives the State is currently undertaking, county property tax will likely increase as a result of this measure. This would contribute to a growing anti-business sentiment in the State and make us less competitive. Furthermore, the building industry needs predictability and consistency in order to offer an affordable end product for potential homebuyers; increasing property taxes inflates the costs of homebuilding, which gets passed on to the homebuyer, increasing the cost of the home. Maryland already has insufficient housing at all price points for its constituents; this bill would exacerbate that problem.

This would also increase the cost for current homeowners and potential buyers of existing, rather than new, development. Allowing counties to increase property taxes will put the dream of homeownership out of reach for many.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: House Ways and Means Committee Members