

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



DANIEL K. PHILLIPS
Director

ROBERT YEAGER
Deputy Director

HEARING DATE: January 15, 2025

BILL: SB0183

TITLE: State Department of Assessments and Taxation - Notification of Constant Yield Tax Rate - Repeal

SDAT POSITION: SUPPORT

The Department of Assessments and Taxation supports Senate Bill 183 - State Department of Assessments and Taxation - Notification of Constant Yield Tax Rate - Repeal. This legislation would repeal the requirement that SDAT calculate and notify each taxing authority of the constant yield tax rate.

Currently, the Department is required to calculate for each taxing authority (23 counties, Baltimore City, and each municipality) the constant yield tax rate. This is a rate which allows counties to collect the same amount of revenue despite fluctuations in their properties' underlying assessed value. Currently, the constant yield is not used by the vast majority of local taxing authorities. Furthermore, as counties seek to impose tax rates on different classes of property which are not tracked by the Department, the Department's number will become increasingly unreliable.

The Department has advised counties that it will continue to calculate the rate upon request. In its current form, however, the statute presents an undue burden on existing agency operations.

Accordingly, the Department respectfully requests a **FAVORABLE** report on Senate Bill 183.