

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



DANIEL K. PHILLIPS
Director

ROBERT YEAGER
Deputy Director

HEARING DATE: March 18, 2025

BILL: SB0183

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

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 - Alteration. This legislation would repeal the requirement that SDAT calculate and notify each taxing authority of the constant yield tax rate, and instead require that the Department calculate the rate upon request.

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.

On the advise of counties, this bill has been altered to require that the Department calculate the rate at the county's request.

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