

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE  
Revised

Senate Bill 252 (Senator Boozer)  
Budget and Taxation

Referred to Ways and Means

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**Property Tax - Income Producing Real Property - Penalty for Failing to File Information**

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This amended bill provides that the supervisor of assessments in each county shall designate those income producing real properties with a value greater than \$5 million for which the owner must provide income and expense information. Under current law, all owners of such property must file the reports. Additionally, the supervisor may waive for good cause penalties for the failure to file the required information.

This bill is effective June 1, 1996.

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**Fiscal Summary**

**State Effect:** Indeterminate general fund revenue and expenditure decrease beginning in FY 1997.

**Local Effect:** None.

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**Fiscal Analysis**

**State Revenues:** The Department of Assessments and Taxation imposed \$75,000 in late filing penalties in 1994 and \$333,000 in 1995. To the extent that the department does not require the filings or the penalties are waived, general fund revenues will decline.

**State Expenditures:** The Department of Assessments and Taxation annually mails about 600 income and expense forms to owners of income producing real property with a value greater than \$5 million by certified mail. Under this bill, the department would not have to mail these forms to owners of such property, unless the properties are designated by the department. To the extent that the department does not require these filings, expenditures

will decline. If no filings are required, about \$1,300 would be saved.

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**Information Source(s):** Department of Assessments and Taxation, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 1, 1996  
ncs Revised - Senate Third Reader - March 22, 1996

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