

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

Senate Bill 136 (Senator Pica, et al.)  
Budget and Taxation

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**Personal Property Tax - Exemption - Family Day Care Homes**

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This bill exempts personal property owned and used by an individual at the individual's residence for a registered family day care home from the personal property tax.

This bill is effective June 1, 1996 and applies to all taxable years beginning after June 30, 1996.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Local revenues could decline by \$106,000 in FY 1997. Expenditures are not affected.

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**Fiscal Analysis**

**Local Revenues:** Revenues could decline by \$106,000 in fiscal 1997 based on the following facts and assumptions:

- 11,400 registered child care homes are in jurisdictions which tax personal property;
- two-thirds of these have tangible business property; and
- the average value of the property is \$500.

About 7,600 property owners will benefit from this exemption, resulting in savings of about \$14 each. Out-year losses will depend on the number of eligible property owners and local property tax rates.

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**Information Source(s):** Department of Assessments and Taxation, Department of Human Resources (Child Care Administration), Department of Fiscal Services

**Fiscal Note History:** First Reader - January 24, 1996

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