

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 703 (Prince George's County Delegation)
Ways and Means

**Prince George's County - Municipal Corporations - Property Tax Credits
for Police Officers
PG 424-97**

This bill allows a municipal corporation in Prince George's County to grant a real property tax credit against the municipal property tax imposed on residential property owned by a sworn police officer with jurisdiction in the municipal corporation. The credit would be applied against property taxes associated with an officer's principal residence. The bill's effective date is July 1, 1997.

Fiscal Summary

State Effect: None.

Local Effect: Indeterminate decrease in revenues for municipal corporations in Prince George's County. Expenditures would not be affected.

Small Business Effect: None. Small businesses would not be directly affected.

Fiscal Analysis

Local Revenues: This bill could reduce the property tax revenues that municipal corporations collect from municipal property taxes. The extent of any revenue reduction, however, cannot be reliably estimated at this time. Any revenue loss would depend on the municipal corporations that authorize such a tax credit, the specific tax rates of those jurisdictions, the number of police officers who would qualify, the amount of real property and property taxes for which credits could be granted, and the amount of credits awarded. For example, a police officer in the town of Greenbelt (municipal property tax rate of \$1.385 per \$100 of assessed value) with a principal residence of \$60,000 assessed value would pay \$831

in municipal property taxes. If the town chose to offer the type of tax credit created by this bill, a police officer could receive a credit of up to \$831 against these property taxes.

There are 28 municipal corporations in Prince George's County that assess municipal property taxes.

Information Source(s): Prince George's County, Department of Assessments and Taxation

Fiscal Note History: First Reader - March 3, 1997

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