

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE  
Revised

House Bill 765 (St. Mary's County Delegation)  
Ways and Means

Referred to Budget and Taxation

St. Mary's County - Property Tax Credit - Personal Property

This amended bill authorizes the governing body of St. Mary's County to grant a property tax credit against county property taxes imposed on personal property. The bill allows the county to provide for the amount of a credit, the subclasses of personal property pursuant to *Maryland Code Annotated* §8-101(C) to which the credit applies, and other provisions necessary to administer the credit.

This bill is effective July 1, 1997.

Fiscal Summary

**State Effect:** None.

**Local Effect:** Indeterminate effect on St. Mary's County revenues beginning in FY 1998. Expenditures would not be affected.

**Small Business Effect:** Potential meaningful effect on small businesses as discussed below.

Fiscal Analysis

**Local Revenues:** St. Mary's County has a personal property assessable base of \$100.4 million in fiscal 1997; the county tax rate for real and personal property is \$2.11 per \$100 of assessed value. Granting tax credits against property taxes imposed on personal property would decrease St. Mary's County revenues; the decrease depends on the subclasses of property to which credits would apply, the total amount of property involved, and the county property tax rate. Any specific impact cannot be reliably estimated at this time.

**Small Business Effect:** St. Mary's County businesses, excluding railroads and utilities, will pay taxes on approximately \$67.7 million of personal property in fiscal 1997. If St. Mary's County granted the tax credits for personal property taxes authorized by this bill, small

businesses with personal property would be positively affected. Any specific impact would depend on the subclasses of property to which credits would apply, the total amount of eligible property owned by small businesses, and the county property tax rate.

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**Information Sources:** Department of Assessments and Taxation, St. Mary's County,  
Department of Fiscal Services

**Fiscal Note History:** First Reader - March 4, 1997  
nrd Revised - House Third Reader - March 24, 1997

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