

HOUSE JOINT RESOLUTION 1

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Q1

1998 Regular Session
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(PRE-FILED)

By: **The Speaker and Delegates Dewberry, Hurson, Rawlings, Curran, Busch, Guns, Vallario, Hixson, Harrison, Menes, Arnick, Owings, Clagett, Conroy, C. Davis, Finifter, Frank, Frush, Howard, Krysiak, Linton, Love, Minnick, V. Mitchell, Morhaim, Perry, Petzold, Proctor, Turner, Weir, Wood, and ~~Workman~~ Workman, Donoghue, Valderrama, DeCarlo, McHale, Miller, and Bonsack**

Requested: November 15, 1997
Introduced and read first time: January 14, 1998
Assigned to: Ways and Means and Appropriations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: February 26, 1998

RESOLUTION NO. _____

HOUSE JOINT RESOLUTION

1 A House Joint Resolution concerning

2 **State Property Tax Rate**

3 FOR the purpose of recommending that the Governor include sufficient funds in the
4 State budget submitted to the 1998 General Assembly to reduce the State
5 property tax rate by a certain minimum amount.

6 WHEREAS, The Department of Legislative Services advises that the State's
7 economy is performing well, that revenues are ahead of estimates, and that Fiscal
8 Year 1999 will commence with a fund balance estimated at ~~\$260~~ \$283 million; and

9 WHEREAS, The General Assembly and the Governor have a unique opportunity
10 to put this good news to work for the people of Maryland; and

11 WHEREAS, Since 1974, the State property tax rate has been as high as 23 cents
12 per \$100 assessed valuation and as low as 20 cents per \$100, with the rate remaining
13 at 21 cents per \$100 for the last 16 years; and

14 WHEREAS, This rate is set every year, with Maryland governors working with
15 the Board of Public Works to adjust the rate as fiscal conditions allow; and

16 WHEREAS, While the Maryland General Assembly recognizes the important
17 Constitutional role of the State property tax as security for State debt, the State now
18 has the resources required to relieve a portion of the burden it imposes, particularly

1 as that burden applies to young working families and the elderly on fixed incomes;
2 and

3 WHEREAS, A 5-cent reduction in the tax from 21 cents to 16 cents would
4 require the Governor to designate ~~\$59~~ \$58 million of the estimated ~~\$260~~ \$283 million
5 revenue surplus to repayment of the capital debt while still providing ~~at least~~ more
6 than \$200 million for school construction in the next fiscal year, making new
7 investments in education and children's health, and adding to the State Reserve
8 Fund; and

9 WHEREAS, For Fiscal Year 1999, the Maryland General Assembly believes the
10 State's economic conditions permit a portion of the State's surplus revenues to be
11 returned to the taxpayers as a property tax rate reduction; now, therefore, be it

12 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the
13 Maryland General Assembly recommends that the Governor include sufficient funds
14 in the State budget submitted to the 1998 General Assembly to reduce the State
15 property tax rate by at least 5 cents, lowering it from 21 cents per \$100 assessed
16 valuation to no more than 16 cents per \$100; and be it further

17 RESOLVED, That a copy of this Resolution be forwarded by the Department of
18 Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland;
19 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and
20 the Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates.