

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE  
Revised

Senate Bill 770 (Senator Frv. *et al.*)

Budget and Taxation

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**Harford and Charles Counties - Property Tax Program - Real Property in Rural Legacy Program**

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This bill allows Harford and Charles counties to grant a county property tax credit against taxes imposed on real property that is located in a Rural Legacy Area as defined by current law and for which the property owner has sold the development rights under the Rural Legacy Program. The county may provide for the eligibility conditions, application method, and amount of any credit.

This bill is effective July 1, 1998.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Potential indeterminate decrease in Harford and Charles county revenues. Expenditures would not be affected.

**Small Business Effect:** Potential meaningful impact on Harford and Charles county small businesses. Small business farmers and property owners in a Rural Legacy Area could be positively affected to the extent that these individuals sell their property development rights under the Rural Legacy Program and are granted a property tax credit. Any specific impact would depend upon the eligibility criteria for and amount of any credits that may be granted by either county.

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**Fiscal Analysis**

**Local Revenues:** The Rural Legacy Program was created by Chapter 758 of 1997. The only existing Rural Legacy Area in Harford County where property would be eligible for a credit as authorized by this bill is the Piedmont Rural Legacy Area, which contains approximately 75,000 acres in Harford and Baltimore counties. There is also one area in Charles County where property would be eligible for a credit; this area is the Zekiah Swamp Run Watershed and contains approximately 65,000 acres. Harford or Charles county revenues would decrease if either county chooses to grant this credit, with the specific amount of decreased revenues depending on the amount of eligible property, the county tax rate, and the amount of any credits granted. Legislative Services advises that information is not readily available upon which to base an estimate.

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**Information Sources:** Department of Assessments and Taxation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 17, 1998  
Inc Revised - Senate Third Reader - April 3, 1998  
Revised - Enrolled Bill - May 11, 1998

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