

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

House Bill 555 (Montgomery County and Prince George's County Delegations)
Ways and Means

**Property Tax Exemption - Exception for Property Owned by Maryland-National
Capital Park and Planning Commission and Used for a Concession**
MC/PG 8-99

This bill provides that property owned by the Maryland-National Capital Park and Planning Commission (M-NCPPC) in Prince George's County that is located in a public airport and used for a restaurant concession is not covered by the property tax exemption granted to land that is used for a concession located in a public airport, park, market, or fairground and is available to the general public.

The bill takes effect July 1, 1999 and is applicable to taxable years beginning after June 30, 1999.

Fiscal Summary

State Effect: Annuity bond fund revenues will increase by at least \$1,800 beginning in FY 2000. No effect on expenditures.

Local Effect: Prince George's County's revenues increase by at least \$27,640 in FY 2000, and M-NCPPC's expenditures could increase by a corresponding amount.

Small Business Effect: None.

Fiscal Analysis

State Effect: M-NCPPC advises that the 94th Aero Squadron Restaurant is the only piece of property that is located in a public airport and used for a restaurant concession. It has an assessed value of \$857,200. Therefore, if this property was subject to property taxes, State property tax revenues would increase by at least \$1,800 based on the State property tax rate of \$.21 per \$100 assessed value. These tax revenues are dedicated to the State's Annuity Bond Fund which is used to pay the State's debt service.

Local Effect: Based on the estimated assessed value stated above, Prince George's County's tax revenues will increase by at least \$27,640 in fiscal 2000 using the county's current property tax rate of \$3.224 per \$100. These revenues include additional levies for M-NCPPC, storm drains, and the Washington Suburban Transit Commission.

The 94th Squadron Restaurant has a contract with M-NCPPC requiring M-NCPPC to pay any of their property taxes. Therefore, M-NCPPC's expenditures will increase by at least \$29,440 in fiscal 2000 (the total State and local property taxes that will be payable under this bill), assuming that the contracts remain unchanged.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - March 15, 1999
ncs/jr Revised - Enrolled Bill - April 29, 1999

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