

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

House Bill 746 (Delegate Franchot. *et al.*)

Ways and Means

Property Tax - Credit for Athletic Fields Used Exclusively for Amateur Sports

This bill authorizes local governments to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on athletic fields that are used exclusively for amateur sports.

The Mayor and City Council of Baltimore City or the governing body of a county or a municipal corporation may specify by law: (1) the amount and duration of the tax credit; and (2) any other provision necessary to carry out the property tax credit.

The bill is effective July 1, 1999.

Fiscal Summary

State Effect: None.

Local Effect: Indeterminate decrease in local revenues beginning in FY 2000. Expenditures would not be affected.

Small Business Effect: Potential meaningful impact. Any small business that manages an athletic field used exclusively for amateur sports that applies for and receives the property tax credit provided by this bill would realize a property tax decrease. The magnitude of any property tax decrease would depend on the amount and assessed value of a small business's property as well as the property tax rates of the local jurisdictions.

Fiscal Analysis

Local Revenues: Publicly-owned athletic fields are currently exempt from local and State property taxes. This bill provides a county and municipal property tax credit for privately-owned athletic fields used exclusively for amateur sports. The Department of Legislative Services has not been provided with any information on the number of athletic fields that would qualify under this bill. Therefore, the effect on local government revenues from granting the property tax credit for corporation-owned athletic fields is unknown.

The magnitude of any decrease in property tax revenue depends on the extent to which the counties and municipalities decide to grant this credit, the number of parcels of land that would qualify, the counties' and municipalities' tax rates, and the assessed value of the property granted the tax credit. Accordingly, the bill's effect on local government revenues cannot be reliably estimated at this time.

Information Source(s): Department of Assessments and Taxation, Allegany County, Montgomery County, Prince George's County, Talbot County, Baltimore City

Fiscal Note History: First Reader - March 17, 1999
Inc/hlb Revised - House Third Reader - March 30, 1999

Analysis by: Joanna Rooney

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510