

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 577 (Senator Frosh)

Budget and Taxation

Property Tax - Assessment Appeals - Evidence

This bill allows a taxpayer to submit assessments of neighboring or comparable properties as evidence in an appeal or hearing on the value or classification of real property.

The bill is effective July 1, 2000.

Fiscal Summary

State Effect: None. The bill would not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: No provisions exist regarding the admission of property assessments as evidence in a property tax appeal.

Background: Each year approximately 4% of property owners appeal the Department of Assessments and Taxation's valuation of their property. A small percentage of those appellants will contend that their property is overvalued and enter into evidence the department's valuations of other properties. Currently, the department and the Property Tax Assessment Appeals Board allow such information into evidence. The Maryland Tax Court does not. The department and the appeals board prefer to consider direct evidence from the marketplace (cost, income, or sales comparisons) as the basis for market value. For this

reason, the department's valuations of other properties are typically given little weight in an appeal hearing. This bill does not compel the appeals bodies, including the Maryland Tax Court, to give this information further consideration.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Assessments and Taxation, Property Tax Assessments Appeals Board, Maryland Tax Court, Department of Legislative Services

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cmr/jr

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