

Department of Legislative Services  
Maryland General Assembly  
2000 Session

FISCAL NOTE  
Revised

Senate Bill 98 (Senator Currie)

Budget and Taxation

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**Tax - Property - Prince George's County - Property Tax Credit**

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This bill authorizes Prince George's County to grant a property tax credit against the county property tax or special district tax for property that is owned by the Lake Arbor Foundation, Inc.

The bill is effective July 1, 2000.

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**Fiscal Summary**

**State Effect:** None. This bill does not grant a property tax credit for State property taxes.

**Local Effect:** Assuming that the county grants a 100% property tax credit, Prince George's County revenue could decrease by approximately \$14,300 annually.

**Small Business Effect:** Minimal. This bill will only affect the Lake Arbor Foundation, Inc.

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**Analysis**

**Background:** The Lake Arbor Foundation, Inc. was created to purchase and operate the Lake Arbor Community Youth Center in Prince George's County and to provide scholarships for local youth. In January of 1999, the foundation purchased the Lake Arbor Golf Club which includes a swimming pool, tennis courts, and a club house. The center is intended to service the Lake Arbor community, comprised of approximately 2,500 homes and a surrounding area with a population of 5,000. The foundation anticipated that the center would operate a latch-key program to provide a place for children to go after school. To date, the Board of Public Works has approved grants totaling \$400,000 for the Lake Arbor

Foundation, Inc., \$200,000 for the purchase of the above property, and \$200,000 for renovations.

**Local Revenues:** As of January 1, 2000, the Lake Arbor Foundation, Inc. owned two parcels of real property that have a full cash value of \$1,001,900. On July 1, 1999, the total taxes due on these properties was \$14,482. That amount included \$787 in State property tax, \$9,065 in county property taxes, and \$4,630 in the special district taxes of Maryland-National Capital Park and Planning Commission (M-NCPPC), Storm Water, and Washington Metropolitan Area Transit Authority (WMATA).

The estimated revenue loss beginning in fiscal 2002 would be \$14,327 assuming constant tax rates; adjusting for the phased-in increase in assessment; and excluding the State property tax. This revenue loss would be shared by the county, M-NCPPC, and WMATA.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Assessments and Taxation, Prince George's County, Department of Legislative Services

**Fiscal Note History:** First Reader - January 20, 2000  
cm/jr Revised - Senate Third Reader - March 22, 2000

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