
By: **Delegates R. Baker, Howard, Proctor, Frush, Moe, Benson, D. Davis, and
Patterson**

Introduced and read first time: February 9, 2001

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Political Subdivisions - Grants to Counties - Property Tax Disparity Grant**
3 **Formula**

4 FOR the purpose of providing for certain annual grants to certain qualifying counties
5 based on certain property tax disparities; establishing a property tax disparity
6 grant formula used by the Department of Assessments and Taxation to
7 determine the amount of a certain grant to qualifying counties under certain
8 circumstances; defining certain terms; and generally relating to the property
9 disparity grant formula.

10 BY adding to

11 Article 24 - Political Subdivisions - Miscellaneous Provisions
12 Section 9-801 through 9-805, inclusive, to be under the new part "Part I. Grants
13 Generally"
14 Annotated Code of Maryland
15 (1998 Replacement Volume and 2000 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

19 **PART I. GRANTS GENERALLY.**

20 9-801.

21 (A) IN THIS PART I OF THIS SUBTITLE THE FOLLOWING WORDS HAVE THE
22 MEANINGS INDICATED.

23 (B) "DEPARTMENT" MEANS THE STATE DEPARTMENT OF ASSESSMENTS AND
24 TAXATION.

25 (C) "ONE-CENT PER CAPITA YIELD OF THE COUNTY PROPERTY TAX" MEANS
26 THE AMOUNT OF PROPERTY TAX REVENUE THAT A RATE OF ONE CENT PER \$100 OF

1 ASSESSED VALUATION OF REAL PROPERTY IN THE COUNTY WOULD YIELD DIVIDED
2 BY THE POPULATION OF THE COUNTY.

3 (D) "REAL PROPERTY" MEANS THAT PART OF THE STATEWIDE ASSESSABLE
4 BASE WHICH IS DEFINED AS LAND, IMPROVEMENTS TO LAND, LAND AND
5 NONOPERATING PROPERTY OF PUBLIC UTILITIES, OPERATING PROPERTY OF PUBLIC
6 UTILITIES, AND OPERATING PROPERTY OF RAILROADS.

7 9-802.

8 FOR EACH FISCAL YEAR, THE STATE SHALL GRANT AND THE COMPTROLLER
9 SHALL DISTRIBUTE, OUT OF THE GENERAL FUND, A PROPERTY TAX DISPARITY
10 GRANT TO EACH QUALIFYING COUNTY AS DETERMINED UNDER THIS SUBTITLE.

11 9-803.

12 (A) (1) THE AMOUNT OF A QUALIFYING COUNTY'S PROPERTY TAX
13 DISPARITY GRANT SHALL BE BASED ON THE COUNTY'S TOTAL ASSESSABLE BASE FOR
14 THE PRIOR FISCAL YEAR.

15 (2) BEGINNING IN FISCAL YEAR 2002 AND FOR EACH FISCAL YEAR
16 THEREAFTER, A COUNTY SHALL QUALIFY FOR A PROPERTY TAX DISPARITY GRANT IF
17 THE COUNTY'S ONE-CENT PER CAPITA YIELD OF COUNTY PROPERTY TAX FOR THE
18 PRIOR FISCAL YEAR IS LESS THAN 85% OF THE STATEWIDE ONE-CENT PER CAPITA
19 YIELD OF COUNTY PROPERTY TAX.

20 (B) FOR EACH FISCAL YEAR, THE PROPERTY TAX DISPARITY GRANT TO EACH
21 QUALIFYING COUNTY SHALL EQUAL THE RESULT OBTAINED BY:

22 (1) MULTIPLYING 2 TIMES THE COUNTY'S POPULATION TIMES 85% OF
23 THE STATEWIDE ONE-CENT PER CAPITA YIELD OF COUNTY PROPERTY TAX; AND

24 (2) MULTIPLYING THE RESULT OBTAINED IN ITEM (1) OF THIS
25 SUBSECTION TIMES A FRACTION:

26 (I) THE NUMERATOR OF WHICH IS 85% OF THE STATEWIDE
27 ONE-CENT PER CAPITA YIELD OF COUNTY PROPERTY TAX; AND

28 (II) THE DENOMINATOR OF WHICH IS THE COUNTY'S ONE-CENT
29 PER CAPITA YIELD OF COUNTY PROPERTY TAX.

30 9-804.

31 (A) FOR EACH FISCAL YEAR, THE DEPARTMENT SHALL DETERMINE THE
32 ONE-CENT PER CAPITA YIELD OF COUNTY PROPERTY TAX FOR EACH COUNTY BASED
33 ON THE POPULATION OF THE COUNTY AS LAST PROJECTED BY THE PLANNING FOR
34 JULY 1 OF THE APPLICABLE FISCAL YEAR.

35 (B) FOR EACH FISCAL YEAR, THE DEPARTMENT SHALL DETERMINE THE
36 STATEWIDE ONE-CENT PER CAPITA YIELD OF COUNTY PROPERTY TAX BASED ON

1 THE STATE POPULATION AS LAST PROJECTED BY THE DEPARTMENT OF PLANNING
2 FOR JULY 1 OF THE APPLICABLE FISCAL YEAR OR THE LATEST DECENNIAL CENSUS
3 FOR THE APPLICABLE FISCAL YEAR.

4 (C) THE DEPARTMENT SHALL CERTIFY TO THE COMPTROLLER A LIST OF THE
5 QUALIFYING COUNTIES AND THEIR RESPECTIVE ALLOCATIONS UNDER THE
6 PROPERTY TAX DISPARITY GRANT PROGRAM BY DECEMBER 1ST OF EACH YEAR.

7 9-805.

8 THE COMPTROLLER SHALL MAKE PAYMENTS TO QUALIFYING COUNTIES
9 PROVIDED UNDER THIS SUBTITLE QUARTERLY DURING THE FISCAL YEAR FOR
10 WHICH PAYMENT IS MADE.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2001.