

SENATE BILL 596

Unofficial Copy  
Q1

2001 Regular Session  
11r2404  
CF 11r2074

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By: **Senator Pinsky (Prince George's County Administration)**  
Introduced and read first time: February 2, 2001  
Assigned to: Budget and Taxation

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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.