

**Department of Legislative Services**

Maryland General Assembly

2001 Session

**FISCAL NOTE**

**Revised**

House Bill 1233 (Prince George's County Delegation)

Ways and Means

Budget and Taxation

---

**Prince George's County - Property Tax Credit – Crescent  
Cities Charities, Incorporated  
PG 400-01**

---

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 Crescent Cities Charities, Incorporated. The tax credit cannot be applied to property that has been granted a tax exemption.

The bill is effective June 1, 2001 and is applicable to all taxable years beginning after June 30, 2001.

---

**Fiscal Summary**

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

**Local Effect:** Assuming that the county grants a property tax credit, Prince George's County revenues could decrease by approximately \$21,100 annually.

**Small Business Effect:** Minimal. This bill will only affect the Crescent Cities Charities, Incorporated.

---

**Analysis**

**Current Law:** Prince George's County is authorized to grant a tax credit against the county property tax or special district tax for property owned by several organizations. These organizations are the Chapel Hill Citizens' Association, Clinton Boys and Girls Club, East Pines Citizens' Association, Lions Club of Bowie, Prince George's Jaycees, Suitland Civic Association, Prince George's County Parks and Recreation Foundation,

Freestate Riding Club, boys and girls clubs in Prince George's County, and Lake Arbor Foundation.

**Background:** Crescent Cities Charities owns six parcels of real property in Prince George's County including the former Leland Memorial Hospital in Riverdale. The six properties have a full-cash value of \$6.4 million. Crescent Cities Charities purchased the hospital when it closed in 1993 and converted it to a nursing home and continuum of care facility. While Crescent Cities Charities owns the nursing home, the facility is operated by a for-profit corporation.

**Local Revenues:** In fiscal 2001, the property tax bill for Crescent Cities Charities, Incorporated totaled \$114,300. This includes \$109,000 for the former hospital site and \$5,300 for the other five parcels. Of this amount, the county's general property tax accounts for \$52,000 and the county's special stormwater property tax accounts for \$3,400. The remaining \$58,900 is for property taxes imposed by the State, one municipality, and non-county special property taxing districts.

On March 9, 2001, the Department of Assessments and Taxation granted a tax exemption on 62% of the organization's property. The tax exemption was made retroactive to July 1, 1999. The remaining 38% of the organization's property will continue to be taxable. **Exhibit 1** shows the tax liability for Crescent Cities Charities by governmental unit prior to the Department of Assessments and Taxation providing a tax exemption.

Assuming that the county grants a 100% property tax credit against the non-tax exempt property and property assessments remain constant, Prince George's County revenues could decrease by approximately \$21,000 annually.

---

**Exhibit 1**  
**Property Tax Liability for Crescent Cities Charities - Fiscal 2001**  
**Prior to the Granting of a Partial Tax Exemption**

<u>Government Unit</u>	<u>Tax Amount</u>	<u>Percent of Total Tax</u>
County General Tax	\$51,993	45.5%
Stormwater Tax	\$3,447	3.0%
State Tax	\$5,363	4.7%
Municipal Tax - Riverdale Park	\$36,262	31.7%
M-NCPPC	\$15,578	13.6%
WMATA	\$1,660	1.4%
<b>Total</b>	<b>\$114,303</b>	<b>100.0%</b>

Source: Prince George's County – Finance Department

---

---

**Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader – February 22, 2001  
ef/jr Revised – House Third Reader – April 5, 2001

---

Analysis by: Hiram L. Burch, Jr.

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