

Department of Legislative Services  
Maryland General Assembly  
2002 Session

FISCAL NOTE  
Revised

House Bill 409  
Ways and Means

(Cecil County Delegation)

Budget and Taxation

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Cecil County - Volunteer Fire and Ambulance Companies - Maintenance and  
Operations Appropriations

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This bill reduces the tax rate (by 40%) in Cecil County used to calculate grants to volunteer fire companies in order to reflect the change in the local property tax rate as a result of the new statewide assessment ratio. The bill also increases the total grant amount for support of ambulance services by adding two fire companies to the current list of fire companies.

The bill is effective June 1, 2002 and applicable to tax years beginning after June 30, 2002.

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Fiscal Summary

**State Effect:** None. The bill pertains exclusively to Cecil County activities.

**Local Effect:** None. The bill codifies existing practice. Although the bill adds grants for two fire companies for ambulance support, the county advises that it has already been providing those grants.

**Small Business Effect:** None.

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Analysis

**Current Law:** Current law requires Cecil County to levy a property tax equal to \$0.06 per \$100 of assessed value for assisting in the maintenance and operation of nine

volunteer fire or fire and ambulance companies. That tax rate was not changed with the State's change from assessing property at 40% of value to 100% of value.

**Background:** In order to simplify the State's property tax system, Chapter 80 of 2000 provided that, beginning in tax year 2001, property tax rates were to be applied to 100% of the value of real property, rather than the prior 40% for most real property. In order to ensure that the change in assessment remained revenue neutral, on October 1, 2000, real property tax rates were reduced to be 40% of the rates effective July 1, 2000.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Cecil County, Department of Legislative Services

**Fiscal Note History:** First Reader - February 11, 2002  
ncs/cer Revised - House Third Reader - March 20, 2002

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