

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

Senate Bill 274

(Senator Hafer)

Budget and Taxation

Ways and Means

Allegany County - Property Tax Credit - Gilchrest Museum

This bill authorizes Allegany County and its municipalities to grant a property tax credit for property that is owned by the Cumberland Cultural Foundation and is known as the Gilchrest Museum.

The bill is effective July 1, 2003.

Fiscal Summary

State Effect: None. The bill would affect local government operations only.

Local Effect: Allegany County property tax revenues could decrease by about \$2,470 annually beginning in FY 2004. The City of Cumberland's property tax revenues could decrease by about \$2,190 annually.

Small Business Effect: Positive impact on the Cumberland Cultural Foundation only.

Analysis

Current Law: Real and business personal property is generally subject to county and municipal property taxes. The Allegany County property tax rate is \$.9838 per \$100 of assessed value and the City of Cumberland real property tax rate is \$.872 per \$100 of assessed value.

Background: The Cumberland Cultural Foundation owns real property in the City of Cumberland in Allegany County. The assessed value for this property is \$245,940 in

fiscal 2004; \$246,600 in fiscal 2005; and \$247,260 in fiscal 2006. The foundation also owns personal property with an assessed value of \$1,920.

Local Revenues: If Allegany County elected to provide a 100% real and personal property tax credit to the Cumberland Cultural Foundation, county property tax revenues would decrease by approximately \$2,470 annually beginning in fiscal 2004. Likewise, if the City of Cumberland elected to provide a 100% real and personal property tax credit, its property tax revenues would decrease by approximately \$2,190 annually beginning in fiscal 2004.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Assessments and Taxation, Allegany County, Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2003
mdf/jr

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