

**Department of Legislative Services**  
 Maryland General Assembly  
 2005 Session

**FISCAL AND POLICY NOTE**

Senate Bill 112 (Senator Klausmeier)

Budget and Taxation

Ways and Means

**Property Tax - Exemption - The Maryland State Game and Fish Protective Association, Inc.**

This bill provides a State property tax exemption for land that is owned by the Maryland State Game and Fish Protective Association, Inc. and is used to educate the public on hunting safety.

The bill takes effect June 1, 2005 and applies to tax years beginning after June 30, 2005.

**Fiscal Summary**

**State Effect:** Annuity Bond Fund revenues and expenditures could decrease by approximately \$2,400 in FY 2006 and FY 2007 with a corresponding increase in general fund expenditures. The impact in future years reflects assessment increases.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
SF Revenue	(\$2,400)	(\$2,400)	(\$2,600)	(\$2,800)	(\$3,100)
GF Expenditure	2,400	2,400	2,600	2,800	3,100
SF Expenditure	(2,400)	(2,400)	(2,600)	(2,800)	(3,100)
Net Effect	(\$2,400)	(\$2,400)	(\$2,600)	(\$2,800)	(\$3,100)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

**Analysis**

**Current Law:** Chapter 331 of 2003 authorized Baltimore County to provide a county property tax credit on real property that is owned by the Maryland State Game and Fish Protective Association, Inc.

**Background:** The Maryland State Game and Fish Protective Association, Inc. owns approximately 26 acres of real property in Baltimore County. The property was previously exempt from property taxation based on a 1968 Tax Court decision that the association is an educational organization. Education organizations are exempt from property taxation under current law. However, as a result of being granted a tax credit under Chapter 331, the property became taxable for State property tax purposes as an exempt property cannot receive a tax credit.

The State real property tax rate is \$0.132 per \$100 of assessed value. All State property tax revenues are credited to a special fund, the Annuity Bond Fund, dedicated exclusively to paying the debt service on State general obligation bonds. Local governments generally have the authority to set their own property tax rates.

**State Fiscal Effect:** The Maryland State Game and Fish Protective Association, Inc. owns a 26.054 acre parcel in Baltimore County assessed at \$1,783,800. The property tax exemption proposed by the bill would reduce State special fund revenues by \$2,354.62 annually beginning in fiscal 2006. Beginning in fiscal 2008 revenues could decline further due to estimated assessment increases during the 2008 assessment cycle. State general fund expenditures would increase in an amount equal to the decrease in the Annuity Bond Fund revenues in order to meet debt service payments.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State Department of Assessments and Taxation, Department of Legislative Services

**Fiscal Note History:** First Reader - February 10, 2005  
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