

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 467

(Allegany County Delegation)

Ways and Means

Budget and Taxation

**Allegany County - Property Tax Credit - Allegany County Building Trades
Education Foundation, Inc.**

This bill authorizes Allegany County and its municipalities to grant a property tax credit for property owned by the Allegany County Building Trades Education Foundation, Inc.

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

Fiscal Summary

State Effect: None.

Local Effect: Allegany County property tax revenues could decrease by approximately \$527 in FY 2006 and \$547 in FY 2010 as assessments increase.

Small Business Effect: None.

Analysis

Current Law: Real and business personal property is generally subject to county and municipal property taxes. The Allegany County real property tax rate is \$1.0007 per \$100 of assessed value. Municipal real property rates range from \$0.222 in Barton to \$0.9479 in Cumberland per \$100 of assessed value.

Allegany County and its municipalities are required to grant a property tax credit for (1) personal property that is owned by a nonprofit television broadcast translator station that is supported principally by public subscription; and (2) property that is owned by the

South Cumberland Business and Civic Association, Incorporated and known as the South Cumberland Civic Center.

Allegany County and its municipalities are authorized to grant, by law, a property tax credit for property that is: (1) owned by the Upper Potomac Jaycees, Incorporated; (2) owned by the Allegany Beagle Club, Incorporated; (3) leased by Frostburg Community Hospital, Inc. and used for hospital purposes; (4) owned by the Western Maryland Scenic Railroad; (5) owned by the Frostburg Lions Club; (6) owned by the Cumberland/Allegany County Industrial Foundation, Inc.; (7) owned by the La Vale Lions Club Foundation, Inc.; (8) owned by the Carver Community Center, Inc.; and (9) owned by the Cumberland Cultural Foundation and is known as the Gilchrist Museum.

Local Fiscal Effect: The bill authorizes the exemption of property owned by Allegany County Building Trades Education Foundation, Inc. from county and municipal property taxes. The State Department of Assessments and Taxation (SDAT) indicates that the Allegany County Building Trades Education Foundation, Inc. is an entity registered with SDAT and is in good standing. SDAT indicates that the foundation owns six parcels of land in the county, two of which are taxable. In addition, neither of the taxable parcels is in a municipal corporation. As a result, Allegany County property tax revenues could decrease by approximately \$527 in fiscal 2006. Revenues would decrease by \$547 in fiscal 2010 as assessments increase.

Additional Information

Prior Introductions: None.

Cross File: SB 377 (Senator Hafer) – Budget and Taxation.

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

Fiscal Note History: First Reader - February 24, 2005
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