

**Department of Legislative Services**  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 440  
Ways and Means

(Garrett County Delegation)

Budget and Taxation

---

**Garrett County - Property Tax Credit - Adventure Sports Center, Inc.**

---

This bill authorizes Garrett County to grant, by law, a property tax credit on property owned by Adventure Sports Center, Inc. The county is authorized to set the amount and duration of the credit, provide for additional eligibility criteria, provide for regulations and procedures for the administration of requests for the tax credit, and to adopt any provision necessary to administer the credit.

The bill takes effect June 1, 2006 and applies to all taxable years beginning after June 30, 2006.

---

**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Garrett County property tax revenues could decrease by \$8,400 in FY 2007 and by \$10,400 in FY 2011. County expenditures would not be affected.

**Small Business Effect:** Minimal.

---

**Analysis**

**Current Law:** Garrett County is authorized to grant a property tax credit for: (1) property leased and occupied by the Grantsville Volunteer Fire Department and used only for its purposes; (2) property owned by the Board of Governors of Garrett County Memorial Hospital and is undeveloped, for use by the hospital, or under a lease with the hospital to provide health care related services on a nonprofit basis; (3) property owned

by Avilton Community Association; (4) agricultural land located in an agricultural land preservation district; and (5) property owned by the Garrett County, Maryland, Community Action Committee, Inc. or by an entity in which the Garrett County, Maryland, Community Action Committee, Inc. has a controlling interest.

The county is required to grant a property tax credit to the (1) Carey Run Sanctuary; (2) Swanton Community Center; (3) Crellin Community Center; (4) Bittinger Community Center; and (5) Garrett County Agricultural Fair Association.

For fiscal 2006, the Garrett County real property tax rate is \$1.00 per \$100 of assessment.

**Local Fiscal Effect:** The State Department of Assessments and Taxation (SDAT) advises that Adventure Sports Center, Inc. owns two pieces of real property in Garrett County: a 17.48 acre parcel and a 1.00 acre parcel, both located on Wisp Mountain. The current assessment on the properties is \$737,000 and \$200,000, respectively; however, the property will not reach that value for tax purposes until fiscal 2009.

As shown in **Exhibit 1**, Garrett County property tax revenues could decrease by \$8,400 in fiscal 2007 and by \$10,400 in fiscal 2011, assuming the county grants a 100% property tax credit.

---

**Exhibit 1**  
**Effect on Garrett County Property Tax Revenues**  
**Fiscal 2007 – 2011**

	<u>Tax Rate</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
Assessment on 17 Acre Parcel	\$1.00	\$653,533 6,535	\$695,267 6,953	\$737,000 7,370	\$778,733 7,787	\$820,467 8,205
Assessment on 1 Acre Parcel	\$1.00	183,333 1,833	191,667 1,917	200,000 2,000	208,333 2,083	216,667 2,167
<b>Total Local Revenue Decrease</b>		<b>\$8,369</b>	<b>\$8,869</b>	<b>\$9,370</b>	<b>\$9,871</b>	<b>\$10,371</b>

Source: State Department of Assessments and Taxation, Department of Legislative Services

---

To the extent that the county changes its property tax rate or if the assessment of the property changes, the associated revenue decrease would change accordingly.

---

## Additional Information

**Prior Introductions:** This bill was introduced as HB 1399 in the 2005 session. No action was taken by the House Ways and Means Committee.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 15, 2006  
ncs/hlb Revised - House Third Reader - March 28, 2006

---

Analysis by: Michael Sanelli

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510