

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 200

(Senators Jacobs and Pipkin)

Budget and Taxation

Ways and Means

Cecil County - Property Tax Credit - American Legion Mason-Dixon Post 194

This bill requires Cecil County and its municipalities to grant a property tax credit against the county and municipal property tax imposed on property owned by the American Legion Mason-Dixon Post 194, used as athletic fields exclusively for amateur sports.

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: Cecil County revenues could decrease by \$800 and Rising Sun revenues could decrease by \$300 in FY 2007. Future year decreases reflect assessment growth. No effect on county or municipal expenditures. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: Cecil County and its municipalities must grant a property tax credit against the county and municipal property tax imposed on property that is owned by: (1) the Society for the Preservation of Maryland Antiquities, Incorporated; and (2) the Friends of the Library of Cecil County, Maryland, Incorporated.

Local Fiscal Effect: American Legion Mason-Dixon Post 194, located in Rising Sun, owns property that is used for little league baseball. This property would be eligible for the property tax credit proposed by the bill. The State Department of Assessments and Taxation indicates the property has an assessment of approximately \$86,000 for the tax year beginning July 1, 2006. As a result Cecil County revenues would decrease by \$842 and Rising Sun revenues would decrease by \$309 in fiscal 2007. **Exhibit 1** shows the estimated assessment of the property as well as the associated county and municipal revenue decrease for fiscal 2007 through 2011.

Exhibit 1
Cecil County and Rising Sun Revenue Decreases
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		\$85,966	\$97,700	109,434	\$121,168	\$132,902
Cecil County	\$0.98	(842)	(957)	(1,072)	(1,187)	(1,302)
Rising Sun	0.36	<u>(309)</u>	<u>(352)</u>	<u>(394)</u>	<u>(436)</u>	<u>(478)</u>
Total		\$1,152	\$1,309	\$1,466	\$1,624	\$1,781

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

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 23, 2006
ncs/hlb

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