

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

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

House Bill 953

(Delegate McKee, *et al.*)

Ways and Means

Budget and Taxation

**Property Tax - Real Property Information - Web-Based Services**

This bill requires the State Department of Assessments and Taxation (SDAT) to provide information regarding the calculation of the property assessment and description of the property on the department’s web site. The bill also prohibits SDAT from charging a fee for providing the information online.

The bill takes effect October 1, 2006 and applies to all assessment notices sent after October 31, 2008.

**Fiscal Summary**

**State Effect:** General fund expenditures would increase by \$200,000 in FY 2007 to update SDAT Internet services. No effect on revenues.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	200,000	0	0	0	0
Net Effect	(\$200,000)	\$0	\$0	\$0	\$0

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

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Current Law:** Taxpayers have the right to obtain, at no charge: a brochure explaining the valuation and assessment process; and the record card and assessment work sheet for the property that is the subject of an assessment.

**Background:** Real property is valued and assessed once every three years. This approach, the triennial assessment process, was part of major property tax reform established in 1979. Under this process, assessors from SDAT physically inspect each property every three years. No adjustments are made in the interim, except in the case of (1) a zoning change; (2) a substantial change in property use; (3) extensive improvements to the property; or (4) a prior erroneous assessment. The assessor determines the current “full market value” of the property and any increase in value is phased in over a three-year period. Any decrease, however, is recognized immediately for assessment purposes.

**State Fiscal Effect:** SDAT indicates that it would incur a one-time expenditure of \$200,000 in fiscal 2007 to contract with a vendor to provide computer services necessary for updating its web site in order to provide the required information.

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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 27, 2006  
mll/hlb Revised - House Third Reader - March 22, 2006  
Revised - Enrolled Bill - May 4, 2006

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