

Department of Legislative Services  
Maryland General Assembly  
2007 Session

FISCAL AND POLICY NOTE

Senate Bill 842

(Carroll County Senators)

Budget and Taxation

Ways and Means

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Property Tax Credit - Carroll County - Gateway Renovation

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This bill authorizes Carroll County to grant a property tax credit for property: (1) located in designated geographic regions of the county; (2) owned by specified classes of persons; and (3) renovated, upgraded, or rehabilitated in accordance with eligibility criteria established by the county. The county may: specify the geographic areas of the county, classes of owners, and types of improvements eligible for the tax credit; establish the amount and duration of the credit; establish eligibility criteria; and provide for any other provision necessary to carry out the tax credit.

The bill takes effect June 1, 2007 and is applicable to taxable years beginning after June 30, 2007.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Carroll County property tax revenues could decrease beginning in FY 2008. No effect on expenditures.

**Small Business Effect:** Potential meaningful. Small businesses that qualify for the tax credit will have reduced property tax liabilities.

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Analysis

**Current Law:** Carroll County is authorized to grant a property tax credit for: (1) property owned by the Maryland Jaycees Foundation of Carroll County; (2) property leased and used by the Sykesville Little League; and (3) residential property owned by specified seniors of limited income.

The Carroll County property tax rate is \$1.048 per \$100 of assessment for fiscal 2007.

**Background:** Baltimore County established a commercial revitalization program in the 1980s and designated 13 areas as commercial revitalization areas. Frederick County created the Golden Mile area in 2003.

**Local Fiscal Effect:** Carroll County property tax revenues could decrease to the extent the property tax is granted. The amount of the decrease depends on the eligibility criteria established by the county, the number of eligible properties, and the amount and duration of the credit. Carroll County indicates that the tax credit proposed by the bill is intended as one component of a commercial revitalization program for the county.

As a point of reference, **Exhibit 1** shows the number of accounts and the assessable base by property class, in Carroll County.

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**Exhibit 1**  
**Properties and Assessable Base, by Class, in Carroll County**  
**Fiscal 2007**

		<u>Number of Accounts</u>	<u>Assessable Base</u>
Agricultural	Improved	2,915	\$738,962,624
	Vacant	1,585	17,095,395
Country Clubs	Improved	6	11,393,531
	Vacant	4	69,200
Marsh	Improved	0	0
	Vacant	0	0
Residential	Improved	49,336	11,788,495,515
	Vacant	4,665	261,819,150
Condominiums	Improved	1,333	209,401,234
	Vacant	131	9,940,000
Residential Commercial	Improved	12	2,285,052
	Vacant	0	0
Commercial	Improved	1,679	1,205,610,773
	Vacant	607	63,177,042
Industrial	Improved	160	313,344,430
	Vacant	96	18,965,679
Commercial Condominiums	Improved	179	79,252,117
	Vacant	2	1,400
Apartments	Improved	177	108,783,441
	Vacant	6	270,749
Commercial Residential	Improved	9	8,484,832
	Vacant	0	0
Townhouses	Improved	1	170,000
	Vacant	1	4,000
<b>Total</b>		<b>62,904</b>	<b>\$14,837,526,164</b>

Source: State Department of Assessments and Taxation

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 13, 2007  
ncs/hlb

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