

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 228

(Senator Glassman, *et al.*)

Budget and Taxation

Ways and Means

Harford County - Property Tax Credit for Homes Near a Refuse Disposal System

This bill alters the eligibility criteria of an optional Harford County property tax credit for specified owner-occupied residential properties located near a refuse disposal system by (1) repealing the requirement that the residential property be completed on or before June 30, 1988; and (2) extending the property tax credit to properties completed by January 1, 1989 and located in an area that consists of Magnolia Road to Trimble Road to Fort Hoyle Road and to Magnolia Road.

The bill takes effect June 1, 2009 and applies to taxable years beginning after June 30, 2009.

Fiscal Summary

State Effect: None.

Local Effect: Harford County property tax revenues decrease by \$83,200 in FY 2010. Future year revenues decrease according to property tax assessments and county property tax rates. Expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: Harford County is authorized to grant a property tax credit against the county property tax imposed on specified owner-occupied residential real property: (1) that was completed on or before June 30, 1988; (2) whose structural boundaries are

within 1,000 feet of a refuse disposal system for which an active permit has been issued to the Harford County government; and (3) is determined by the Harford County Council to have been adversely impacted by its proximity to the refuse disposal system. However, the property tax credit may only be granted if the county government approves the use of specified environmental surcharges to offset the total amount of the property tax credits granted.

Background: The Harford County real property rate is \$1.082 per \$100 of assessment for fiscal 2009. Harford County currently grants a 100% property tax credit to 17 residential properties whose boundaries are located within 500 feet of the Scarboro Landfill. Based on current assessment data, the tax credit for these 17 properties will reduce county property tax revenue by \$36,500 in fiscal 2009.

Local Fiscal Effect: The State Department of Assessments and Taxation and Harford County indicate that 56 additional residential properties may be eligible for the tax credit under the bill. The fiscal 2010 taxable assessment for these properties is approximately \$7.7 million. Based on this assessment data and the county's current property tax rate, Harford County revenues will decrease by approximately \$83,200 in fiscal 2010. Future year revenue decreases depend on property tax assessments and county property tax rates.

Additional Information

Prior Introductions: None.

Cross File: HB 865 (Harford County Delegation) - Ways and Means.

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

Fiscal Note History: First Reader - February 8, 2009
ncs/hlb Revised - Enrolled Bill - May 15, 2009
Revised - Clarification - June 18, 2009

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