

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

House Bill 235

(Delegate McComas, *et al.*)

Ways and Means

Budget and Taxation

Property Tax - Valuation of Residential Real Property - Database

This bill requires the State Department of Assessments and Taxation (SDAT) to maintain a database, available to the public on the department's website and searchable by individual property, that relates to the valuation of single-family residential real property and includes for each property: (1) the square footage of the enclosed improvements above ground; (2) the square footage of the completed improvements below ground; (3) the number of bathrooms; (4) the number of garages; and (5) the date of the initial assessment of the most recently completed improvements assessed after July 1, 2000.

Fiscal Summary

State Effect: The bill's requirements can be handled by SDAT with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Generally, specified inspection valuation records are not allowed to be made open to the public, except under certain circumstances. SDAT must permit a valuation record to be inspected by the person whose property is the subject of the valuation record; or an officer of the State or a county or municipality affected by the valuation record. Valuation records, including rental data or business volume, may be submitted to the Maryland Tax Court as evidence in a property assessment appeal. Residential assessment worksheets that list the property description with assigned cost rates and depreciation factors must be available for inspection as they appear on the

department's website. In addition, SDAT must provide a copy of assessment worksheets and cards that relate to a real property valuation (1) to the person whose property is the subject of the valuation if the value or classification of the property is to be changed for property tax purposes, and the person requests the worksheets and cards or (2) to any person who seeks the worksheets and cards for other comparable property, has a timely filed and pending property tax assessment appeal, identifies the comparable property by address, and pays the reasonable fee that the department requires for the copy.

Background: Under current law, 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.

Additional Information

Prior Introductions: HB 789 of 2012 received a hearing in the House Ways and Means Committee, but no further action was taken on the bill.

Cross File: None.

Information Source(s): State Department of Assessments and Taxation, Property Tax Assessment Appeals Board, Department of Legislative Services

Fiscal Note History: First Reader - February 5, 2013
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