

HOUSE BILL 936

Q2

4lr2258

By: **Delegates McIntosh, Anderson, Carter, Clippinger, Conaway, Glenn, Hammen, Harper, McHale, Oaks, Rosenberg, Stukes, Tarrant, ~~and M. Washington~~ M. Washington, and Cardin**

Introduced and read first time: February 5, 2014

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2014

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Homestead Assessment Cap Increase and Property Tax Rate**
3 **Reduction – Study**

4 FOR the purpose of requiring the Department of Legislative Services to complete a
5 study on the feasibility and effects of increasing Baltimore City’s homestead
6 property tax credit assessment cap and using the increased revenue to offset a
7 reduction in the City’s property tax rate; requiring the study to make certain
8 estimates; requiring the study to consider certain matters; requiring the
9 Department to submit a report of its findings and any recommendations to
10 certain persons on or before a certain date; providing for the termination of this
11 Act; and generally relating to a study of Baltimore City’s homestead property
12 tax credit assessment cap and property tax rate.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That:

15 (a) The Department of Legislative Services shall complete a study on the
16 feasibility and effects of increasing Baltimore City’s homestead property tax credit cap
17 on assessment increases under § 9–105(e) of the Tax – Property Article and using the
18 increased revenue to offset a reduction in Baltimore City’s property tax rate.

19 (b) The study shall estimate:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (1) the amount of reduction in Baltimore City's property tax rate that
2 could be offset by various increases in the homestead property tax credit assessment
3 cap; and

4 (2) the net impact on homeowners of increasing Baltimore City's
5 homestead property tax credit assessment cap while decreasing the property tax rate.

6 (c) The study shall consider:

7 (1) the significance of the homestead property tax credit assessment
8 cap as a revenue stabilization mechanism and the effect raising the cap would have on
9 revenue stabilization; and

10 (2) revenue stabilization mechanisms that could be utilized in lieu of
11 the homestead property tax credit assessment cap, such as a requirement that a
12 portion of the increased revenue attributable to an increase in the cap be allocated to a
13 revenue stabilization fund.

14 (d) During the study, the Department of Assessments and Taxation and the
15 Baltimore City Department of Finance shall:

16 (1) provide promptly any information that the Department of
17 Legislative Services requests; and

18 (2) otherwise cooperate fully with the Department of Legislative
19 Services.

20 ~~(e)~~ (e) The Department of Legislative Services shall submit a report of its
21 findings and any recommendations on or before December 31, 2014 to the Mayor and
22 City Council of Baltimore City and, in accordance with § 2-1246 of the State
23 Government Article, the Baltimore City House Delegation and the Baltimore City
24 Senators.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 June 1, 2014. It shall remain effective for a period of 1 year and 1 month and, at the
27 end of June 30, 2015, with no further action required by the General Assembly, this
28 Act shall be abrogated and of no further force and effect.