

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 231
Ways and Means

(Prince George's County Delegation)

Budget and Taxation

Prince George's County - Property Tax Credit for Security Camera Systems
PG 405-18

This bill authorizes Prince George's County to grant, by law, a property tax credit for residential or commercial property equipped with an exterior security camera system for the purpose of crime prevention. **The bill takes effect June 1, 2018 and applies to taxable years beginning after June 30, 2018.**

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County property tax revenues may decrease by a potentially significant amount beginning in FY 2019 depending on the number of security camera systems that are installed at residential and commercial properties in the county. County expenditures are not affected.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The tax credit only applies to the purchase price of the security camera system and may not exceed the lesser of \$200 per security camera or \$500 for a residential property or \$750 for a commercial property. Prince George's County may establish, by law, (1) eligibility criteria, including security camera specifications; (2) the amount and duration of the tax credit; (3) regulations and procedures for the application and uniform processing of requests for the tax credit; and (4) any other provision necessary to carry out the tax credit.

Background: Among the State's 24 subdivisions, Prince George's County had the eighth highest crime rate in 2015 as shown in **Exhibit 1**. Crime rate statistics are from the *Uniform Crime Report* for 2015 and include both violent crimes and property crimes. Violent crimes, which include murder, forcible rape, robbery, and aggravated assault, involve the element of personal confrontation between the perpetrator and the victim and therefore are considered more serious than property crimes.

Compared to most other jurisdictions in Maryland, Prince George's County continues to be plagued with a high murder rate, with the county experiencing the second highest number of homicides in Maryland. In 2015, 78 homicides were reported in Prince George's County compared to 29 in Montgomery County. Along with Baltimore City, Prince George's County also continues to be troubled by a high volume of robbery offenses and motor vehicle thefts. In 2015, 1,704 robberies were reported in Prince George's County, compared to 641 in Montgomery County; and 3,431 vehicles were reported stolen in Prince George's County compared to 768 in Montgomery County. During this same time period, the Fairfax County Police Department (Virginia) reported 14 homicides, 443 robberies, and 742 motor vehicle thefts. The population in Fairfax County, Virginia, (1.1 million) is 25% larger than the population in Prince George's County.

Local Fiscal Effect: Prince George's County property tax revenues decrease beginning in fiscal 2019 to the extent the property tax credit is authorized. The amount of the revenue decrease depends on the number of residential and commercial properties that have exterior security camera systems and the amount of the property tax credit granted to each property, neither of which can be reliably estimated.

As a point of reference, there are approximately 256,500 improved real property accounts and 39,600 vacant real property accounts in Prince George's County.

Small Business Effect: Small businesses in Prince George's County may be eligible for up to a \$750 property tax credit if they have or install an exterior security camera system on the premises. Small businesses that sell exterior security systems may realize an increase in sales.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County; State Department of Assessments and Taxation; Maryland State Police; U.S. Department of Justice; Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2018
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Exhibit 1
Crime Rates or Counts for Maryland Counties

County	Crime Rates Per 100,000 Residents			Crime Rates Percent of State Average			Murder Count		Robbery Count		Vehicle Theft Count	
	CY 2014	CY 2015	% Change	CY 2014	CY 2015	Rank	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Allegany	3,519.8	3,447.3	-2.1%	118.9%	120.3%	5	2	3	31	58	42	49
Anne Arundel	2,805.0	2,680.0	-4.5%	94.8%	93.5%	9	14	17	634	613	702	629
Baltimore City	6,146.0	6,619.5	7.7%	207.6%	230.9%	1	211	344	3,740	4,378	4,504	5,541
Baltimore	3,211.4	3,242.7	1.0%	108.5%	113.1%	6	25	32	1,512	1,525	1,499	1,770
Calvert	1,828.7	1,641.7	-10.2%	61.8%	57.3%	21	0	2	30	31	43	37
Caroline	2,718.8	2,250.2	-17.2%	91.8%	78.5%	13	2	0	11	15	24	18
Carroll	1,543.8	1,358.5	-12.0%	52.2%	47.4%	24	2	0	42	48	49	52
Cecil	3,312.0	2,956.7	-10.7%	111.9%	103.1%	7	4	9	90	77	92	123
Charles	2,326.2	2,257.5	-3.0%	78.6%	78.8%	12	2	3	148	120	157	207
Dorchester	3,762.6	4,209.2	11.9%	127.1%	146.8%	2	3	1	22	39	42	51
Frederick	1,780.3	1,669.8	-6.2%	60.1%	58.3%	20	4	7	113	107	83	110
Garrett	1,749.3	1,766.9	1.0%	59.1%	61.6%	18	0	0	1	4	15	9
Harford	1,701.6	1,495.4	-12.1%	57.5%	52.2%	23	6	7	165	165	106	108
Howard	2,050.5	1,925.0	-6.1%	69.3%	67.2%	16	5	2	201	226	231	208
Kent	1,938.2	1,942.6	0.2%	65.5%	67.8%	15	0	0	6	22	5	3
Montgomery	1,795.1	1,782.9	-0.7%	60.6%	62.2%	17	18	29	661	641	753	768
Prince George's	3,415.4	2,894.7	-15.2%	115.4%	101.0%	8	56	78	1,846	1,704	4,278	3,431
Queen Anne's	1,769.4	1,624.1	-8.2%	59.8%	56.7%	22	0	0	21	17	18	21
St. Mary's	2,232.0	2,323.0	4.1%	75.4%	81.0%	10	0	2	58	51	73	69
Somerset	2,036.5	1,748.2	-14.2%	68.8%	61.0%	19	0	0	14	10	10	11
Talbot	2,367.2	2,062.8	-12.9%	80.0%	72.0%	14	0	0	16	25	21	14
Washington	2,470.4	2,280.5	-7.7%	83.5%	79.6%	11	6	9	153	121	231	175
Wicomico	3,823.1	3,724.3	-2.6%	129.2%	129.9%	4	2	7	101	126	96	96
Worcester	4,689.3	3,894.0	-17.0%	158.4%	135.8%	3	1	1	35	27	38	28
Maryland	2,960.2	2,866.6	-3.2%	100.0%	100.0%		363	553	9,651	10,150	13,146	13,564

Source: *Uniform Crime Report*, Maryland State Police