

Department of Legislative Services  
Maryland General Assembly  
2018 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 117  
Ways and Means

(Delegate Glenn, *et al.*)

Budget and Taxation

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**Baltimore City - Property Tax Credit - School Public Safety Officers**

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This bill adds sworn law enforcement officers employed full time by the Baltimore City Public School System to those eligible for a specified Baltimore City property tax credit for public safety officers. **The bill takes effect June 1, 2018, and applies to taxable years beginning after June 30, 2018.**

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Baltimore City property tax revenues decrease by approximately \$57,500 in FY 2019 and by over \$100,000 annually beginning in FY 2023. Baltimore City expenditures are not affected.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Chapters 558 and 559 of 2016 authorize Baltimore City to grant, by law, a property tax credit for a dwelling owned by a Baltimore City public safety officer if the public safety officer is otherwise eligible for the Homestead Property Tax Credit. The amount of the property tax credit may not exceed \$2,500 per dwelling in any taxable year.

A public safety officer is defined as a firefighter, an emergency medical technician, or a law enforcement officer who is a sworn member of and employed full time by the (1) Baltimore City Fire Department; (2) Baltimore City Police Department; or (3) Baltimore City Sheriff's Office.

**Background:** In December 2017, the Mayor of Baltimore signed into law City Council Bill 17-0120 that granted the maximum \$2,500 property tax credit to eligible public safety officers. The tax credit takes effect July 1, 2018.

**Local Fiscal Effect:** Baltimore City property tax revenues decrease by approximately \$57,500 in fiscal 2019 and by over \$100,000 annually beginning in fiscal 2023. The estimate is based on the following:

- there are currently 93 Baltimore City Public School Safety Officers employed by the Baltimore City Public School System;
- 39% of officers currently live within the city;
- homeownership rate averages 63% for these officers;
- approximately 20 officers will purchase a home in Baltimore City over the next four years;
- the average taxable value for residential property in Baltimore City is \$159,000; and
- eligible officers receive the maximum \$2,500 property tax credit.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 394 (Senator Conway) – Budget and Taxation

**Information Source(s):** Baltimore City; Department of Legislative Services

**Fiscal Note History:** First Reader - January 26, 2018  
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