

# HOUSE BILL 508

Q1

2lr2348

---

By: **Delegate McKay**

Introduced and read first time: January 21, 2022

Assigned to: Ways and Means

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Constant Yield Tax Rate – Notification Requirement**

3 FOR the purpose of altering a certain notice requirement relating to the intention of a  
4 taxing authority to set a certain real property tax rate that exceeds the constant yield  
5 tax rate; and generally relating to the property tax constant yield tax rate.

6 BY repealing and reenacting, with amendments,  
7 Article – Tax – Property  
8 Section 6–308  
9 Annotated Code of Maryland  
10 (2019 Replacement Volume and 2021 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
12 That the Laws of Maryland read as follows:

13 **Article – Tax – Property**

14 6–308.

15 (a) In this section, “taxing authority” means:

16 (1) the county council or board of county commissioners;

17 (2) the City Council of Baltimore City; and

18 (3) the governing body of a municipal corporation.

19 (b) (1) Unless the requirements of this section are met, a taxing authority may  
20 not set a county or municipal corporation real property tax rate that exceeds the constant  
21 yield tax rate in any taxable year excluding revenue from real property appearing for the  
22 1st time on the assessment roll.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) A taxing authority does not meet the requirements of this section until  
2 it provides to the Department:

3 (i) on or before 15 days after the date of the advertisement required  
4 by this section a copy of the entire newspaper page that carried the meeting notice required  
5 by this section; or

6 (ii) the evidence that the Department requires of the mailing of the  
7 notices described in subsection (c) of this section.

8 (c) If a taxing authority intends to set a county or municipal corporation real  
9 property tax rate that exceeds the constant yield tax rate, it shall advertise to the public  
10 by:

11 (1) placing an advertisement that satisfies the Department and meets the  
12 requirements of this section in a newspaper of general circulation in the jurisdiction of the  
13 taxing authority; or

14 (2) mailing a notice that meets the requirements of this section to each  
15 property taxpayer who resides in the jurisdiction.

16 (d) (1) The advertisement shall be at least 1/4 of a page in size for counties and  
17 1/8 of a page in size for municipal corporations.

18 (2) The type that is used in the advertisement shall be:

19 (i) at least 18 point for counties; and

20 (ii) at least 12 point for municipal corporations.

21 (3) The advertisement may not be placed with legal notices or classified  
22 advertisements.

23 (4) The headline for the advertisement shall be in bold print, with all  
24 letters capitalized.

25 (5) The text of the advertisement, other than the headline, shall be in upper  
26 and lower case letters.

27 (e) The notice or advertisement shall be in the following form:

28 "..... (NAME OF JURISDICTION) NOTICE OF A PROPOSED REAL  
29 PROPERTY TAX [INCREASE] **CHANGE**

30 The ..... (name of taxing authority) of ..... (name of jurisdiction) proposes to  
31 [increase] **CHANGE** real property taxes.

1           1. For the tax year beginning July 1, ....., the estimated real property  
2 assessable base will increase by ....., from \$..... to \$..... .

3           2. If ..... (name of jurisdiction) maintains the current tax rate of \$..... per  
4 \$100 of assessment, real property tax revenues will increase by .....% resulting  
5 in \$..... of new real property tax revenues.

6           3. In order to fully offset the effect of increasing assessments, the real  
7 property tax rate should be reduced to \$....., the constant yield tax rate.

8           4. The ..... (county, city, town, etc.) is considering not reducing its real  
9 property tax rate enough to fully offset increasing assessments. The ..... (county,  
10 city, town, etc.) proposes to adopt a real property tax rate of \$..... per \$100 of  
11 assessment. This tax rate is .....% higher than the constant yield tax rate and  
12 will generate \$..... in additional property tax revenues.

13           A public hearing on the proposed real property tax rate [increase] **CHANGE**  
14 will be held at ..... (time) on ..... (date) at ..... (location). The hearing is open to  
15 the public, and public testimony is encouraged. Persons with questions  
16 regarding this hearing may call ..... (phone number) for further information.”

17           (f)     (1) The meeting on the proposed county or municipal corporation real  
18 property tax rate [increase] **CHANGE** shall be held:

19                     (i) on or after the 7th day and on or before the 21st day after the  
20 notice is published as required by subsection (c) of this section; and

21                     (ii) on or before June 17th before the date required by law for  
22 imposition of the real property tax.

23           (2) The meeting may coincide with the meeting on the proposed budget of  
24 the taxing authority.

25           (3) In computing periods of time under this subsection all calendar days  
26 shall be counted including Saturdays, Sundays, and holidays.

27           (g) After the meeting, the taxing authority may adopt by law [an increase] **A**  
28 **CHANGE** in the county or municipal corporation real property tax rate that exceeds the  
29 constant yield tax rate:

30                     (1) on the day of the meeting; or

31                     (2) on a later day, if the day, time, and location to consider the [increase]  
32 **CHANGE** are announced at that meeting.

33           (h) The requirements of this section do not apply if a taxing authority:

34                     (1) increases the county or municipal corporation real property tax rate  
35 above the constant yield tax rate solely because of the reduction in the taxing authority's  
36 real property assessable base due to the final determination of assessment appeals; or

