

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 394

(Prince George's County Delegation)

Ways and Means

Budget and Taxation

Prince George's County - Municipal Tax Setoff, School Facilities Surcharge, and
Public Safety and Behavioral Health Surcharge - Reports
PG 402-22

This bill alters the due dates for three annual reports in Prince George's County: the municipal property tax setoff report, the school facilities surcharge report, and the public safety and behavioral health surcharge report. Each annual report must be submitted on or before October 31. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: None.

Local Effect: None. The bill does not affect Prince George's County finances.

Small Business Effect: None.

Analysis

Current Law: Prince George's County imposes a school facilities surcharge on specified new residential construction to support new school construction in the county. The school facilities surcharge is a fee collected at the time of the issuance of the building permit. The resulting revenue is distributed to a special fund that supplements new school construction costs in the county. An annual report is due on or before August 31.

Prince George's County also imposes a public safety and behavioral health surcharge that is used to support public safety agencies within the county and to support behavioral health

programs and facilities. An annual report on the uses of the surcharge revenue is due on or before March 1.

Prince George's County must complete an annual report on municipal property tax setoffs that includes (1) the amount of the tax setoff granted to each municipality in the current fiscal year; (2) a detailed description of the scope and nature of the individual services or programs provided by each municipality instead of similar services or programs provided by the county; and (3) a detailed description of the methodology used by the county to determine the amount of the tax setoffs, including any formulas. The report is due on or before January 31.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Prince George's County; Department of Legislative Services

Fiscal Note History: First Reader - February 4, 2022
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