

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 502

(Senator McKay)

Budget and Taxation

Ways and Means

Allegany County – Property Tax Credit – Evergreen Heritage Center

This bill authorizes Allegany County and municipalities in the county to grant a property tax credit for property that is owned by Evergreen Heritage Center Foundation or Evergreen Heritage Center Holdings. **The bill takes effect June 1, 2024, and applies to taxable years beginning after June 30, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: Allegany County property tax revenues may decrease by approximately \$5,300 annually beginning in FY 2025 to the extent the property tax credit is granted. County expenditures are not affected.

Small Business Effect: Potential meaningful. Evergreen Heritage Center Holdings could realize a reduction in county property taxes.

Analysis

Current Law: Exhibit 1 lists the current mandatory and optional property tax credits that are authorized in Allegany County. Allegany County is projected to collect approximately \$46.9 million in property tax revenues in fiscal 2024, as shown in the [County Revenue Outlook Report – Fiscal 2024](#). A copy of the report is available on the Department of Legislative Services website.

Exhibit 1
Allegany County Property Tax Credits

Optional Tax Credits

Frostburg Community Hospital
Western Maryland Scenic Railroad
Frostburg Lions Club
La Vale Lions Club Foundation
Carver Community Center
Cumberland Cultural Foundation/Gilchrist Museum
Allegany County Agricultural Expo
Allegany County Building Trades Education Foundation
Bell Tower Building
Cumberland Outdoor Club
Public industrial park owned/managed/operated by a 501(c)(6)
Property subdivided for future residential development
Frostburg Museum Association
Allegany County Animal Shelter Management Foundation
Family Junction
LaVale Swim Club
The Lions Center for Rehabilitation and Extended Care
Cumberland Economic Development Corporation
Upper Potomac Jaycees
Allegany Beagle Club
Cumberland/Allegany County Industrial Foundation
Rehabilitated property or new construction
Western Maryland Street Rod Association
Machinery/equipment used in manufacturing/electricity generation
Riverside Industrial Park
Western Maryland Health System Braddock Hospital
Memorial Hilltop Centre

Mandatory Tax Credits

Personal property owned by nonprofit TV broadcast translator station
South Cumberland Business and Civic Association
Bona fide labor union
Real property leased by religious organization to La Vale Athletic Association
Improvements to certified historical/agriculturally significant real property
Cresaptown Civic Improvement Association
Potomac Park Citizens Committee

Local Fiscal Effect: Evergreen Heritage Center Holdings owns one property located in Mt. Savage, Maryland. The property has a fiscal 2025 assessment of \$546,300. As a result of the property tax credit under the bill, Allegany County property tax revenues may decrease by approximately \$5,300 annually beginning in fiscal 2025. This estimate is based on a county property tax rate of \$0.9750 per \$100 of assessment.

The Evergreen Heritage Center, located on 130 acres in Western Maryland, is a historic farm that pre-dates the Revolutionary War. The property has been on the Maryland Historical Trust inventory of properties since 1976 and was added to the National Register in 2015. The heritage center features a six-bedroom farmhouse and barn originally built more than 200 years ago, plus over 100 acres of managed forest, multiple gardens and orchards, and landscaped grounds.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 636 (Allegany County Delegation) - Ways and Means.

Information Source(s): Allegany County; State Department of Assessments and Taxation; Evergreen Heritage Center Foundation; Department of Legislative Services

Fiscal Note History: First Reader - February 6, 2024
km/hlb Third Reader - February 21, 2024

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