

Chapter 71

(House Bill 133)

AN ACT concerning

**State Department of Assessments and Taxation – Notification of Constant Yield
Tax Rate – ~~Repeal~~ Alteration**

FOR the purpose of ~~repealing~~ altering the requirement that the State Department of Assessments and Taxation notify each taxing authority of the constant yield tax rate for each taxable year by requiring that the notice be sent by the Department to a taxing authority only on the request of the taxing authority; and generally relating to the constant yield tax rate.

~~BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 2–205(a)
Annotated Code of Maryland
(2019 Replacement Volume and 2024 Supplement)~~

~~BY repealing
Article – Tax – Property
Section 2–205(e)
Annotated Code of Maryland
(2019 Replacement Volume and 2024 Supplement)~~

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 2–205
Annotated Code of Maryland
(2019 Replacement Volume and 2024 Supplement)

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

Article – Tax – Property

2–205.

- (a) In this section, “taxing authority” means:
- (1) the county council or board of county commissioners of a county;
 - (2) the City Council of Baltimore City; and
 - (3) the governing body of a municipal corporation.

(b) (1) On or before February 14 of each year, the Department shall send each taxing authority:

(i) an estimate of the total assessment of all real property in the county or municipal corporation for the next taxable year; [and]

(II) IF REQUESTED BY A TAXING AUTHORITY IN ACCORDANCE WITH SUBSECTION (C)(1) OF THIS SECTION, THE CONSTANT YIELD TAX RATE; AND

[(ii)] (III) an estimate of the total assessment:

1. of all new construction and improvements in the county or municipal corporation not assessed since the last date of finality; and

2. of all real property in the county or municipal corporation that may be deleted from the assessment records.

(2) The Department shall notify each taxing authority of any change in the estimated assessment of all real property in the county or the municipal corporation that results from actions of a property tax assessment appeal board or the Maryland Tax Court.

~~f(c) (1) The Department shall notify each taxing authority~~ **A TAXING AUTHORITY MAY, ON OR BEFORE FEBRUARY 1 EACH YEAR, REQUEST THAT THE DEPARTMENT CALCULATE AND NOTIFY THE TAXING AUTHORITY** of the constant yield tax rate that will provide the same property tax revenue that is provided by the real property tax rate that is in effect for the current taxable year.

(2) In calculating a constant yield tax rate for a taxable year, the Department shall use an estimate of the total assessment of all real property for the next taxable year exclusive of real property that appears for the 1st time on the assessment records.

(3) (i) The Department may amend a constant yield tax rate only as provided in this paragraph.

(ii) On or before April 15 each year, the Department may amend a constant yield tax rate when a county or municipal corporation alters the homestead tax credit percentage under § 9–105 of this article.

(iii) On or before May 15 each year, the Department may amend a constant yield tax rate:

1. when directed to make a change by an enactment of the General Assembly;

- tax rate; or
2. to correct an error in the calculation of the constant yield
 3. to reflect a significant loss of taxable base, as determined
- by the Director.†

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2025.

Approved by the Governor, April 8, 2025.