

SENATE BILL 520

Q2
SB 1041/25 – SRU

6lr1944

By: **Senator Kramer**

Introduced and read first time: February 4, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Charter Counties – Application of County Tax Limitation on**
3 **Public Safety Budget**

4 FOR the purpose of authorizing a county council of a charter county, notwithstanding
5 certain provisions of law, to set by simple majority vote a property tax rate that is
6 higher than the property tax rate authorized under a county's charter or collect more
7 property tax revenues than the revenues authorized under the county's charter for
8 the purpose of funding the approved public safety budget of the county; and generally
9 relating to property tax in charter counties.

10 BY repealing and reenacting, with amendments,
11 Article – Education
12 Section 5–104(d)
13 Annotated Code of Maryland
14 (2025 Replacement Volume and 2025 Supplement)

15 BY adding to
16 Article – Local Government
17 Section 16–109.1
18 Annotated Code of Maryland
19 (2013 Volume and 2025 Supplement)

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

22 **Article – Education**

23 5–104.

24 (d) (1) Notwithstanding any provision of a county charter that places a limit
25 on that county's property tax rate or revenues and subject to paragraph (2) of this

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



subsection, a county governing body may set a property tax rate that is higher than the rate authorized under the county's charter or collect more property tax revenues than the revenues authorized under the county's charter for the [sole] purpose of funding the approved budget of the county board, including any payments by the county governing body on behalf of the county board to the Teachers' Pension System and the Teachers' Retirement System.

(2) If the county governing body sets a county property tax rate that is greater than the rate authorized under the county's charter or collects more property tax revenues than the revenues authorized under the county's charter, the county:

(i) May not reduce funding provided to the county board from any other local revenue source below the funding level in the current county budget; and

(ii) **[Shall] EXCEPT FOR PROPERTY TAX REVENUES COLLECTED FOR THE PURPOSE OF FUNDING A COUNTY'S PUBLIC SAFETY BUDGET IN ACCORDANCE WITH § 16-109.1 OF THE LOCAL GOVERNMENT ARTICLE, SHALL** appropriate to the county board all property tax revenues exceeding the amount that would have been available if the county charter limitation had applied.

(3) On or before December 31 of any year in which a county sets a property tax rate as provided in this subsection, the county shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly, on the property tax rate set, the additional amount of revenues generated, and the appropriation of the additional revenues.

Article – Local Government

16-109.1.

(A) THIS SECTION APPLIES ONLY TO CHARTER COUNTIES.

(B) NOTWITHSTANDING ANY PROVISION OF A COUNTY CHARTER THAT PLACES A LIMIT ON THAT COUNTY'S PROPERTY TAX RATE OR REVENUES, THE COUNTY COUNCIL OF A CHARTER COUNTY MAY SET BY SIMPLE MAJORITY VOTE OF ITS MEMBERS THEN SERVING A PROPERTY TAX RATE THAT IS HIGHER THAN THE RATE AUTHORIZED UNDER THE COUNTY'S CHARTER OR COLLECT MORE PROPERTY TAX REVENUES THAN THE REVENUES AUTHORIZED UNDER THE COUNTY'S CHARTER FOR THE PURPOSE OF FUNDING THE APPROVED PUBLIC SAFETY BUDGET OF THE COUNTY.

(C) IF A COUNTY COUNCIL SETS A COUNTY PROPERTY TAX RATE THAT IS GREATER THAN THE RATE AUTHORIZED UNDER THE COUNTY'S CHARTER OR COLLECTS MORE PROPERTY TAX REVENUES THAN THE REVENUES AUTHORIZED UNDER THE COUNTY'S CHARTER, EXCEPT FOR PROPERTY TAX REVENUES

1 COLLECTED FOR THE PURPOSE OF FUNDING A COUNTY'S APPROVED BUDGET OF A
2 COUNTY BOARD OF EDUCATION IN ACCORDANCE WITH § 5-104 OF THE EDUCATION
3 ARTICLE, THE COUNTY SHALL APPROPRIATE TO THE PUBLIC SAFETY BUDGET ALL
4 PROPERTY TAX REVENUES EXCEEDING THE AMOUNT THAT WOULD HAVE BEEN
5 AVAILABLE IF THE COUNTY CHARTER LIMITATION HAD APPLIED.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
7 1, 2026, and shall be applicable to all taxable years beginning after June 30, 2026.