

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

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 28, 2026

CHAPTER _____

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

11 BY repealing and reenacting, with amendments,
12 Article – Education
13 Section 5–104(d)
14 Annotated Code of Maryland
15 (2025 Replacement Volume and 2025 Supplement)

16 BY adding to
17 Article – Local Government
18 Section 16–109.1
19 Annotated Code of Maryland
20 (2013 Volume and 2025 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **Article – Education**

2 5–104.

3 (d) (1) Notwithstanding any provision of a county charter that places a limit
4 on that county's property tax rate or revenues and subject to paragraph (2) of this
5 subsection, a county governing body may set a property tax rate that is higher than the
6 rate authorized under the county's charter or collect more property tax revenues than the
7 revenues authorized under the county's charter for the [sole] purpose of funding the
8 approved budget of the county board, including any payments by the county governing body
9 on behalf of the county board to the Teachers' Pension System and the Teachers' Retirement
10 System.

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

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

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

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

26 **Article – Local Government**

27 **16–109.1.**

28 (A) (1) ~~THIS SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THIS~~
29 SECTION APPLIES ONLY TO CHARTER COUNTIES.

30 (2) THIS SECTION DOES NOT APPLY TO PRINCE GEORGE'S COUNTY.

31 (B) **NOTWITHSTANDING ANY PROVISION OF A COUNTY CHARTER THAT**
32 **PLACES A LIMIT ON THAT COUNTY'S PROPERTY TAX RATE OR REVENUES, THE**
33 **COUNTY COUNCIL OF A CHARTER COUNTY MAY SET BY SIMPLE MAJORITY VOTE OF**
34 **ITS MEMBERS THEN SERVING A PROPERTY TAX RATE THAT IS HIGHER THAN THE**

1 RATE AUTHORIZED UNDER THE COUNTY'S CHARTER OR COLLECT MORE PROPERTY
2 TAX REVENUES THAN THE REVENUES AUTHORIZED UNDER THE COUNTY'S CHARTER
3 FOR THE PURPOSE OF FUNDING THE APPROVED PUBLIC SAFETY BUDGET OF THE
4 COUNTY.

5 (C) IF A COUNTY COUNCIL SETS A COUNTY PROPERTY TAX RATE THAT IS
6 GREATER THAN THE RATE AUTHORIZED UNDER THE COUNTY'S CHARTER OR
7 COLLECTS MORE PROPERTY TAX REVENUES THAN THE REVENUES AUTHORIZED
8 UNDER THE COUNTY'S CHARTER, EXCEPT FOR PROPERTY TAX REVENUES
9 COLLECTED FOR THE PURPOSE OF FUNDING A COUNTY'S APPROVED BUDGET OF A
10 COUNTY BOARD OF EDUCATION IN ACCORDANCE WITH § 5-104 OF THE EDUCATION
11 ARTICLE, THE COUNTY SHALL APPROPRIATE TO THE PUBLIC SAFETY BUDGET ALL
12 PROPERTY TAX REVENUES EXCEEDING THE AMOUNT THAT WOULD HAVE BEEN
13 AVAILABLE IF THE COUNTY CHARTER LIMITATION HAD APPLIED.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
15 1, 2026, and shall be applicable to all taxable years beginning after June 30, 2026.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.