

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 235

(Senator Salling)

Budget and Taxation

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Baltimore County - Property Tax Credits - Public Safety Officers and Public  
School System Employees

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This bill requires Baltimore County to grant a property tax credit for dwellings located in the county that are owned by (1) a public safety officer; and (2) an employee of the county public school system. Baltimore County must provide for: (1) the amount and duration of the tax credits; (2) additional eligibility criteria for the tax credits; (3) procedures for the application and uniform processing of requests for the tax credits; and (4) any other provisions necessary to carry out the property tax credits. **The bill takes effect June 1, 2026, and applies to taxable years beginning after June 30, 2026.**

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Significant decrease in Baltimore County revenues beginning in FY 2027 depending on the number of homeowners who receive the property tax credit. Potential revenue loss could exceed \$5.0 million annually even with a minimal number of eligible homeowners receiving the tax credit. County expenditures are not affected. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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Analysis

**Current Law:** Tax credit programs mandated by law may be applicable only to specific counties or municipalities. These credits can be found in Title 9, Subtitle 3 of the Tax – Property Article. In addition to statewide optional tax credits, some optional credits are applicable only to a specified county or municipality within a specified county. These county specific optional credits are found in Title 9, Subtitle 3 of the Tax – Property Article. **Exhibit 1** shows the mandatory and optional property tax credits in Baltimore County.

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**Exhibit 1**  
**Baltimore County Property Tax Credits**

**9-305**      **Optional Tax Credits**

- (b)(1)      Twin River Protective and Improvement Association
- (b)(2)      Bowley's Quarters Improvement Association
- (b)(3)      Oliver Beach Improvement Association
- (b)(4)      Baltimore County Game and Fish Association
- (b)(5)      Eastfield Civic Association
- (b)(6)      Rockaway Beach Improvement Association
- (b)(7)      Fire Museum of Maryland
- (b)(8)      Carney Rod and Gun Club
- (b)(9)      Real property improvements that promote business redevelopment
- (b)(10)    Condominium units where an association provides services that would otherwise be county's responsibility
- (b)(11)    Dwellings where a homeowners association provides services that would otherwise be county's responsibility
- (b)(12)    Rosa Ponselle Charitable Foundation; Villa Pace
- (b)(13)    Agricultural land in agricultural preservation district
- (b)(14)    Friends of the Oliver House
- (b)(15)    Bird River Beach Community Association
- (b)(16)    Harewood Park Community League
- (b)(17)    Real property owned by NPO, civic league, or recreational or athletic association
- (b)(18)    Personal property owned by Genesee Valley Outdoor Learning Center
- (b)(19)    Maryland State Game and Fish Protective Association
- (b)(20)    Personal property owned by Leadership through Athletics
- (b)(21)    Bowerman-Loreley Beach Community Association
- (b)(22)    Civic League of Inverness
- (b)(23)    Rosewald Beach Civic League
- (d)        Gunpowder Valley Conservancy
- (e)        Homes near Eastern Sanitary Landfill Solid Waste Management Facility (contingent on environmental surcharges)

**9-305**      **Mandatory Tax Credits**

- (a)(1)      Harford Park Improvement Association
- (a)(2)      Lynch Point Improvement Association
- (a)(3)      Chestnut Ridge Improvement Association
- (a)(4)      Relay Improvement Association

Source: Department of Legislative Services

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**Local Fiscal Effect:** Baltimore County property tax revenues decrease by a significant amount beginning in fiscal 2027. The amount of the revenue decrease depends on the number of public safety officers and county public school employees who own homes in Baltimore County, the assessed value for each eligible home, and the amount and duration of the property tax credit. Based on the following information, the local revenue loss for Baltimore County will be significant:

- 15,584 employees within Baltimore County Public Schools as of October 2024.
- 1,751 sworn officers employed by the Baltimore County Police Department in 2024.
- \$261,700 average county taxable residential property assessment in fiscal 2025.
- \$1.10 county real property tax rate (per \$100 of assessment).
- 66.3% homeownership rate within Baltimore County.

As a point of reference, county property tax revenues may decrease by approximately \$300,000 for every 100 homeowners who receive the property tax credit. Even with a minimal number of eligible homeowners receiving the property tax credit (around 10%); Baltimore County property tax revenues could decrease by over \$5.0 million annually.

The bill does not define what constitutes a public safety officer so the property tax credit may apply to individuals working outside of Baltimore County and for other law enforcement agencies besides the Baltimore County Police Department.

#### *Property Tax Collections in Baltimore County*

Baltimore County is projected to collect approximately \$1.3 billion in property tax revenues in fiscal 2026, as shown in the [County Revenue Outlook Report](#). A copy of the report is available on the Department of Legislative Services [website](#).

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### **Additional Information**

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

**Designated Cross File:** HB 127 (Delegate Metzgar) - Ways and Means.

**Information Source(s):** Baltimore County; Maryland State Department of Education; State Department of Assessments and Taxation; US Census Bureau; Department of Legislative Services

**Fiscal Note History:** First Reader - January 23, 2026  
sj/hlb

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