



February 18, 2020

**House Bill 621**

**County Tax Fairness Act**

**House Appropriations Committee Committee**

**Position: FAVORABLE**

Anne Arundel County **SUPPORTS** House Bill 621 - County Tax Fairness Act. This Bill extends the time period in which local jurisdictions must reimburse the local income tax reserve account pursuant to specified refunds resulting from Maryland State Comptroller of the Treasury v. Brian Wynne, et ux., 431 Md. 147 (2013), *aff'd* 575 U.S. \_\_\_\_ (2015) (“Wynne case”).

This Bill extends from twenty quarters to eighty quarters (5 years to 20 years) the period for which the Comptroller must withhold local income tax distributions from local governments and repay the local income tax reserve account with interest pursuant to the holding in the Wynne case. For Anne Arundel County, this amounts to approximately \$17 million, plus interest. This legislation would diminish the annual reduction in the distribution from the reserve account to the county and spread it out over a longer period of time, enabling the county budget to more easily absorb the reduction.

Accordingly, Anne Arundel County respectfully requests a **FAVORABLE** report on House Bill 621.