

COUNTY COUNCIL OF DORCHESTER COUNTY
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COUNTY ATTORNEY

TESTIMONY

TO: APPROPRIATIONS COMMITTEE

FROM: DORCHESTER COUNTY COUNCIL

BILL: HOUSE BILL 737 “LOCAL GOVERNMENTS-INCOME TAX DISPARITY GRANTS-AMOUNTS”

HEARING: FEBRUARY 27, 2020

POSITION: SUPPORT

Dear Delegate Maggie McIntosh, Chair and Committee Members:

The Disparity Grant cap of 67.5% for counties at the maximum income tax rate will expire Fiscal Year 020. At this expiration Dorchester County stands to lose approximately \$400,000 of tax revenue. Dorchester County has recently went to the maximum tax rate of 3.2% and has only been at that rate since January 2020. A \$400,000 loss for Dorchester County in the first year of implementing Kirwan Commission recommendations will significantly impact our budget. The County Council wholeheartedly supports House Bill 737 which will extend the Disparity grant through FY2023.