

REGINA T. BOYCE  
Legislative District 43  
Baltimore City

Environment and  
Transportation Committee

Subcommittees  
Environment  
Motor Vehicle and Transportation



Annapolis Office  
The Maryland House of Delegates  
6 Bladen Street, Room 316  
Annapolis, Maryland 21401  
410-841-3476 · 301-858-3476  
800-492-7122 Ext. 3476  
Fax 410-841-3295 · 301-858-3295  
Regina.Boyce@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

March 8, 2021

**RE: Testimony for HB1320: Baltimore City - Property Taxes - Authority to Set Special Rates**

Chair Kaiser and Members of the Ways and Means Committee,

For the record, I am Regina T. Boyce, Delegate of the 43rd District presenting HB1320: Baltimore City - Property Taxes - Authority to Set Special Rates.

HB1320 authorizes Baltimore City to **set special property tax rates for any class or subclass of real property** subject to the city's property tax beginning June 30, 2021.

The purpose of HB1320 is to provide the city with the ability to diversify how it taxes different classification of real property. At its own admission, the dept. of finance stated that the city is always looking for ways to diversify its property tax base, especially if the goal is to reduce the property tax rate, and more importantly for those who the tax rate an obstacle to do so. This bill would enable the city to begin exploring this option to reduce the property tax rate.

Washington D.C.'s real property tax rates are based on classifications. Classifications are properties grouped by their similar use. For instance, classifications of property would be residential, commercial, industrial, open space, vacant, and blighted. D.C. has four classifications, but three sub-classifications under their Class 2 rate. Here is an example:

Class	Tax Rate per \$100	Description
1	\$0.85	Residential real property, including multifamily
2	\$1.65	Commercial and industrial real property, including hotels and motels, if assessed <b>value is not greater than \$5 million</b>
2	\$1.77	Commercial and industrial real property, including hotels and motels, if assessed <b>value is greater than \$5 million but not greater than \$10 million</b>
2	\$1.89	Commercial and industrial real property, including hotels and

		motels, if assessed <b>value is greater than \$10 million</b>
3	\$5.00	Vacant real property
4	\$10.00	Blighted real property
<b>(DC.gov – Real Property Tax Rates)</b>		

Baltimore City has the **highest property tax – 2.264%** - in the state along with one of the **highest rates of poverty – 21.87%**. We carry the regions poor and tax our residents at the highest rate. Baltimore City is a place where people want to be, where they want to live. According to **Live Baltimore**, in 2020 during a global pandemic, the city sold more homes (9476) than in the previous year (9213), but most importantly more homes were sold in 2020 than in any year of the last 10 years. The City needs any successful tool that will attract new residents and businesses. D.C., and its suburban counter-part Montgomery County, has the lowest residential property tax rate (\$.85 and .77%) and lower poverty rates. Due to low real property taxes, **D.C. residents/families have the lowest overall tax burden in the metropolitan area**. Baltimore City can do this too!

I thank the Ways and Means Committee for your time and consideration and urge a favorable report of HB1320.

Regina T. Boyce