



## Maryland Municipal League

*The Association of Maryland's Cities and Towns*

# TESTIMONY

February 8, 2022

**Committee:** House Ways and Means Committee

**Bill:** HB 445 – Property Tax – Constant Yield Tax Rate – Notice Requirements

**Position:** Support

**Reason for Position:**

The Maryland Municipal League supports HB 445 which provides an alternative public notice when local revenues rise as a result of SDAT assessments but the local property tax rate remains the same.

Since its inception, the Constant Yield Tax Rate and its prescriptive notification have been unnecessarily confusing for residents and elected officials. A local government could actually LOWER the property tax rate compared to the prior year and still have to publish a legal notice identifying it as a “proposed real property tax increase” if that rate would bring in an additional \$25,000 of revenue on the whole due to new assessments.

Across the state, local governments spend thousands of dollars each year to post these notices when the vast majority are seeking to maintain the current real property tax rate. This bill would at least help with the confusion and consternation of residents who often incorrectly assume their property tax rates are being raised.

The Maryland Municipal League therefore respectfully requests the Committee provide HB 445 with a favorable report.

**FOR MORE INFORMATION CONTACT:**

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