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Environment and  
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Subcommittees  
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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

January 31, 2022

**RE: HB310 Baltimore City - Property Taxes - Authority to Set Special Rates**

Chair, Vice Chair, and Members of the Ways & Means Committee,

For the record, I am Delegate Regina T. Boyce presenting HB310 - Baltimore City - Property Taxes - Authority to Set Special Rates. This bill is a re-introduction of HB1320 from the 2021 Session.

HB310 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 2022.

The purpose of HB310 is to provide the city with the ability to diversify how it taxes different classes of real property. This bill would allow the city to 1) lower property taxes and 2) tax vacant and blighted property if they chose to use the authorization for such. The Baltimore City 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 residents for who the tax rate has been a financial obstacle. HB310, can assist the city with the growth of the market by forcing irresponsible and negligent owners of vacant and blight property to rehab, sell, or demo.

Washington D.C.'s real property tax rates are based on the class or subclass of property. D.C. has four classes of property with three sub-classes under their Class 2 rate. Here is an example:

<u>Class</u>	<u>Tax Rate per \$100</u>	<u>Description (DC.gov – Real Property Tax Rates)</u>
1	\$0.85	Residential real property, including multifamily
2	\$1.65	<b>Commercial and industrial real property, including hotels and motels, if assessed value is <u>not greater than \$5 million</u></b>
2	\$1.77	<b>Commercial and industrial real property, including hotels and motels, if assessed value is <u>greater than \$5 million but not greater than \$10 million</u></b>
2	\$1.89	<b>Commercial and industrial real property, including hotels and motels, if assessed value is <u>greater than \$10 million</u></b>
3	\$5.00	Vacant real property
4	\$10.00	Blighted real property

Baltimore City has the **highest property tax – 2.264% - in the state** along with the highest rate of **poverty – 21.87%**. It is a place where people want to be and where they want to live. According to **Live Baltimore**, in 2020 during a global pandemic, the **city sold more homes (9476)** than the previous year

(9213), but most importantly more homes sold in 2020 than in the last 10 years. The City needs tools 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%) along with higher property value, median income, and lower rates of poverty D.C. residents/families have the lowest overall tax burden in the metropolitan area.

I thank the Ways & Means Committee your time and consideration of HB310 and urge a favorable report.

A handwritten signature in blue ink that reads "Regina T. Boyce". The signature is written in a cursive style with a large initial 'R' and 'B'.

Regina T. Boyce