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HEARING DATE: March 30, 2023

BILL: HB1096

TITLE: Baltimore County - Property Tax Exemption - Real Property Owned by Fire Company or Rescue Squad

SDAT POSITION: LETTER OF INFORMATION

Current law grants the exempt status for a property that: “(ii) is held in an advanced land acquisition program of the fire company or rescue squad.” See Page 2 lines 8 and 9. Furthermore, the law restricts a fire company from an exception if the property “(iii) is leased for not more than 60 days during any 12-month period.” Therefore, the purpose of this bill is unclear.

The bill will allow a Fire Company or Rescue Squad to acquire any type of property, including improved property, and receive an exemption for an indefinite period simply by stating they intend to use the property at some undefined point in time. This will allow a fire company in Baltimore county to receive an exemption from property tax for a property that is leased for more than 60 days during any 12-month period if they state they will use the property in the future.

Under this legislation, the fire company could own and operate a shopping center for 30 years while stating they intend to use the property at the end of that time, and the property will be exempt from taxes for the entire 30-year period.

The Department recommends the following amendment to page 3, lines 8 through 10:

(2) IS UNIMPROVED REAL PROPERTY NOT USED FOR ANY PURPOSE BUT WILL BE ACTUALLY USED EXCLUSIVELY FOR THE PURPOSES OF THE FIRE COMPANY OR RESCUE SQUAD IN THE FUTURE.