

Office of Government Relations 88 State Circle Annapolis, Maryland 21401

HB 231

February 7, 2023

TO: Members of the Ways and Means Committee

FROM: Nina Themelis, Interim Director of Mayor's Office of Government Relations

RE: House Bill 231 - Baltimore City – Property Taxes – Authority to Set Special

Rates

POSITION: Support

Chair Atterbeary, Vice Chair Wilkins, and Members of the Ways and Means Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 231.

HB 231 aims to authorize the Mayor and City Council of Baltimore City to set special property tax rates for any class or subclass of real property that is subject to the county property tax. This bill is a step towards improving the tax system in Baltimore City and allowing the city to make informed decisions about how to allocate its resources.

The current system does not give the Mayor and City Council the necessary authority to set special property tax rates for certain classes and subclasses of real property, which can limit the city's ability to respond to the changing needs of its residents. The proposed legislation will remedy this issue and allow the city to better manage its finances.

By granting the Mayor and City Council the authority to set special property tax rates, the city will have the flexibility to address specific tax challenges and to support the growth and development of its communities. Additionally, this bill will help the city to address ongoing issues related to vacant housing which are key factors in maintaining the financial stability of Baltimore City as well as increasing and encouraging home ownership within the City.

For these reasons, the BCA respectfully requests a **favorable** report on HB 231.