

SDAT_SB0263_Support.pdf

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HEARING DATE: January 18, 2024

BILL: SB0263

TITLE: Real Property Assessments - Revaluation of Property on Transfer After Appeal

SDAT POSITION: SUPPORT

The Department of Assessments and Taxation supports Senate Bill 263 - Real Property Assessments – Revaluation of Property on Transfer After Appeal. This legislation would trigger the mid-cycle reassessment of a property if within one year after a property’s value is reduced due to an appeal, the property transfers for an amount that exceeds the value of the property before the reduction of the assessment.

The Department carefully considers evidence presented by property owners appealing their assessments. However, when an assessment is lowered on appeal, then sold at a price higher than the pre-appealed assessment, the Department may be unable to reevaluate the assessment and consider the inconsistent sale price until the next assessment cycle. As a result, properties may remain undervalued for three years, resulting in significant losses in revenue for local jurisdictions throughout the State.

Senate Bill 263 would allow the Department to reassess a property that received a reduced assessment following appeal if the property sold for a greater amount than the pre-appeal assessment. This legislation would further the Department’s mission of ensuring real property assessments are accurate and up to date.

Accordingly, the Department respectfully requests a **FAVORABLE** report on Senate Bill 263.

SB 263 -FAV-MML - .pdf

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Position: FAV



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

January 18, 2024

Committee: Senate Budget and Taxation Committee

Bill: _____ SB 263 – Real Property Assessments – Revaluation of Property on Transfer
After Appeal

Position: Support

Reason for Position:

The Maryland Municipal League supports Senate Bill 263, which creates a new trigger for SDAT to reassess a property when its valuation is out of balance with the established market.

SB 263 appears to be a simple, straightforward bill about tax fairness. It is important that every property owner retains the right to appeal a valuation from SDAT, but if that property then sells for more than the original valuation, it makes sense to take the new sale price into account and reassess the property. The property tax dollars generated from these correct assessments will better help fund the very services each property owner depends on.

For these reasons the League respectfully requests that this committee provide Senate Bill 263 with a favorable report.

FOR MORE INFORMATION CONTACT:

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