



SB067

Property Tax Credit – Retail Service Station Conversions

Testimony before Senate Budget and Taxation Committee

Hearing January 18, 2024 – 12:00 pm

Position: FAVORABLE

Senator Brooks and members of the committee, my name is Elizabeth Fixsen, and I represent the 700+ members of Indivisible Howard County. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We are providing written testimony today in support of SB067 providing a property tax credit for conversion of retail service stations to other uses. We thank Senator Brooks for sponsoring this bill.

This bill is aimed at retail service stations that are no longer in use and are abandoned, presenting environmental hazards and a nuisance to the neighborhoods. As the underground tanks age, they are more susceptible to leaking gasoline, polluting the soil and threatening underground water supplies.

As electric vehicles take over, gasoline fueling stations are closing in ever greater numbers. However, the cost of converting these stations to other uses is high. For example, the average cost just for the removal of the gasoline storage tank and the mitigation of soil contamination is \$154,000. Other significant costs include demolition, upgrade of utilities, and fees for rezoning.

This bill will authorize cities and counties to provide a property tax credit that will help owners defray these costs if they convert the property to other retail, residential, or mixed residential and retail use (excluding discount stores and self-storage centers). The State will reimburse the counties 50% of the revenue lost from giving this credit. The conversion of these abandoned properties to more productive, revenue-generating uses will provide an economic benefit to Maryland's communities and help expand the state's housing stock.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable report.

Elizabeth Fixsen
Savage, MD

Sources:

<https://grist.org/accountability/gas-stations-underground-storage-tank-leaks-environmental-disaster/>

file:///C:/Users/efixs/Downloads/SB67_OnePager.pdf

<https://www.patrickjohnstone.ca/2013/04/whats-with-abandoned-gas-stations-part-1.html>