



## House Bill 1018

### *Manufacturing Business Personal Property Tax - Exemption*

MACo Position: **OPPOSE**

To: Ways and Means Committee

Date: February 27, 2024

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **OPPOSES** HB 1018. This bill exempts from the personal property tax all personal property in the possession of a person engaged in a manufacturing business that is a small- or medium-sized enterprise.

**Counties are amenable to working with state policymakers on efforts to reduce the burden on manufacturing businesses. However, MACo opposes this bill because it will undermine county revenue structures and deplete limited local funds for public health, schools, public safety, roadway maintenance, and other essential public services for Maryland families.**

Counties are eager and committed partners in promoting economic growth and creating opportunity – and prefer local autonomy in determining the best way locally. The General Assembly routinely considers broad or targeted tax incentives to stimulate economic growth, encourage beneficial activities, or attract and retain residents. These proposals sometimes focus exclusively on the State's tax structure, but often extend to local revenues as well.

In general, MACo stands for local self-determination. Counties, led by locally elected leaders directly accountable within the communities they serve, are best positioned to govern local affairs – ranging from land use to fiscal matters. MACo steadfastly guards this local autonomy and consistently advocates against one-size-fits-all policies that override local decision-making.

MACo and county governments stand ready to work with state policymakers to craft flexible and optional tools to deliver broad or targeted tax incentives but resist state-mandated changes that preclude local input. Accordingly, MACo urges an **UNFAVORABLE** report on HB 1018.