



Senate Bill 550 "Property Tax – Authority to Establish a Subclass and Special Rate for Property No Longer Used for Nonprofit Purposes.

Date: February 14th, 2025

Time: 5:00pm

POSITION: Favorable

Favorable Testimony on Senate Bill 550

The SOS Fund, an independent 501(c)(3) non-profit organization, addresses the systemic housing instability experienced by historically red-lined communities in Baltimore City. This instability has resulted in generations of residents losing their homes, equity and community. **The SOS Fund supports Senate Bill 550 "Property Tax – Authority to Establish a Subclass and Special Rate for Property No Longer Used for Nonprofit Purposes".**

The SOS Fund supports Senate Bill 550, which grants the Mayor and City Council of Baltimore the authority to establish a subclass of real property consisting of nonprofit-owned properties that are no longer being used for their original charitable purpose. This legislation further allows the City to set a special property tax rate for such properties, ensuring they contribute their fair share to the local tax base.

Uncollected property taxes from these underutilized nonprofit properties place an undue financial burden on Baltimore residents. As city services rely heavily on tax revenue, shifting the obligation to everyday taxpayers while these properties remain untaxed is inequitable, especially as residents are in danger of losing their homes to tax sale. Senate Bill 550 provides a necessary mechanism to alleviate this strain and ensure all property owners, including nonprofits that no longer use their land for its intended mission, contribute appropriately to the city's financial health.

This bill promotes fairness and fiscal responsibility, helping to support critical city services while encouraging nonprofits to either return their properties to active mission-aligned use or fulfill their tax obligations. The SOS Fund urges the committee to give Senate Bill 550 a favorable report.

Respectfully submitted,

The SOS Fund