

# **HB0296\_BT\_SUPP.pdf**

Uploaded by: Daniel Phillips

Position: FAV

**WES MOORE     DANIEL K.**  
Governor Director

**ARUNA MILLER ROBERT**  
Lt. Governor Deputy



**PHILLIPS**

**YEAGER**  
Director

**HEARING DATE:** March 27, 2025

**BILL:** HB0296

**TITLE:** Personal Property Tax - Exemption for Low Assessments -  
Alteration

**SDAT POSITION:** SUPPORT

The Department of Assessments and Taxation supports House Bill 296 - Personal Property Tax - Exemption for Low Assessments - Alteration. This legislation would allow the Department of Assessments and Taxation to request additional documentation for entities that report less than \$20,000 in business personal property.

Business Personal Property is property owned by a business that is not a land / structure. The State of Maryland requires businesses to report the amount they own in business personal property annually, even those that have none. Counties collect tax revenue based on these reports.

In 2022, the Department of Assessments and Taxation sponsored a bill that raised the threshold for businesses not to report business personal property from \$2,500 or less to \$20,000 or less. In that bill, the Department included language that prohibited it from being able to request any and all documentation to back up the self-reported assessment.

The BPP Division audits, as a matter of process, any business that reports a drop in business personal property of 40% or more from one year to the next. This is to verify that there were no errors in the self-reported assessment and to ensure that counties continue to collect revenues on the full amount of business personal property owned by businesses within their jurisdiction.

700 E Pratt Street Suite 2100 Baltimore, MD 21202  
1-888-246-5941 TTY: 1-800-735-2258

Accordingly, the Department respectfully requests a **FAVORABLE** report on House Bill 296.



# **HB0296-BT\_MACo\_SUP.pdf**

Uploaded by: Kevin Kinnally

Position: FAV



## House Bill 296

### *Personal Property Tax - Exemptions for Low Assessments - Alteration*

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 27, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 296, which advances transparency and taxpayer fairness in Maryland's business personal property tax system. The bill preserves tax relief for small businesses while allowing the State Department of Assessments and Taxation (SDAT) to collect basic eligibility information, ensuring proper oversight without adding unnecessary burdens.

HB 296 addresses a flaw in the current system. In 2022, the General Assembly amended the law to exempt businesses with personal property valued under \$20,000 from taxation, eliminating the requirement to file a return with SDAT. While well-intended, this restriction prevents SDAT from verifying eligibility, increasing the risk of misclassification and revenue discrepancies that impact local fiscal planning and essential public services.

This bill maintains the exemption while restoring SDAT's ability to collect basic information, ensuring that only qualified businesses benefit. Maintaining accurate tax records promotes fairness among businesses and helps counties effectively manage local revenue needs.

HB 296 strikes a reasonable balance between taxpayer relief and responsible tax administration. Counties depend on accurate data to assess economic conditions and make informed budget decisions. This bill supports practical and sustainable fiscal policy by allowing SDAT to verify eligibility without imposing new taxes or liabilities.

Accordingly, MACo urges the Committee to issue a **FAVORABLE** report on HB 296.

# **Senate Testimony.HB296\_Delegate Lorig Charkoudian.**

Uploaded by: Lorig Charkoudian

Position: FAV



## THE MARYLAND HOUSE OF DELEGATES

ANNAPOLIS, MARYLAND 21401

### HB 296 - PERSONAL PROPERTY TAX - EXEMPTIONS FOR LOW ASSESSMENTS - ALTERATION

TESTIMONY OF DELEGATE LORIG CHARKOUDIAN

MARCH 27, 2025

Chair Guzzone, Vice Chair Rosapepe, and Members of the Budget and Taxation Committee,

Business Personal Property is property owned by a business that is not a land / structure. The State of Maryland requires businesses to report the amount they own in business personal property annually, even those that have none. Counties collect tax revenue based on these reports.

In 2022, the Department of Assessments and Taxation sponsored a bill that raised the threshold for businesses not to report business personal property from \$2,500 or less to \$20,000 or less. In that bill, the Department included language that prohibited it from being able to request any and all documentation to back up the self-reported assessment. This language was part of a Hogan-era initiative to dissolve the Business Personal Property (BPP) Division altogether. SDAT no longer plans to do so.

The BPP Division audits, as a matter of process, any business that reports a drop in business personal property of 40% or more from one year to the next. This is to verify that there were no errors in the self-reported assessment and to ensure that counties continue to collect revenues on the full amount of business personal property owned by businesses within their jurisdiction.

This bill will ensure fairness in Maryland's tax system by eliminating a loophole that allows businesses to report no personal property without further question.

I respectfully request a favorable report on HB 296.



# **HB185 Senate Testimony.pdf**

Uploaded by: DARIA CERVANTES

Position: FWA

March 25, 2025

Dear Chair Guzzone and Members of the Senate Budget and Taxation Committee,

The Arc Montgomery County is submitting this testimony in support of HB185 Therapeutic Child Care Grant Program - Funding – Alterations, with amendments. As I am sure you are aware, this grant helps organizations like The Arc Montgomery County operate much needed early care and education programs for all children, both those with and without disabilities.

Because of the timely support from the Grant Program, The Arc Montgomery County has been able to operate the Karasik Family, Infant and Child Care Center (KFICCC) facility in Silver Spring, which includes both children with and without disabilities in the same classroom. Our method ensures that all students enrolled are actively included in the classroom, without the need of segregated classes. While our methods are new, the results speak for themselves. All of our students are developing at or above anticipated levels, and we believe this is largely due to our inclusive classrooms, which always maintain the necessary staffing levels for education and medical staff. In a time when early childcare is in short supply, and inclusive classrooms are deemed too expensive to run, we have managed to operate a facility that not only delivers but does so in a way that is less expensive than other early care programs.

Due to our highly competitive pricing, and general lack of early childhood education in Montgomery County, we unfortunately have had to limit the number of seats available. Currently, we have 120 children enrolled in our program, most of which come from low-income families and some that utilize our childcare program at reduced cost via the Childcare Scholarship, Working Parent Voucher, PreK grant or Equicare Grant. Any seat that opens in our facility is promptly filled from our waitlist, which varies by age and need. For infants, children with disabilities, and children with medical needs, the wait can be as long as two years.

"Eddie" is a perfect example of how children and their families benefit from KFICCC. As a three-year-old with diabetes, "Eddie" needs a nurse on-site in order to attend PreK. He also receives on-site support for speech and a few other developmental delays that were likely the result of this medical condition. He loves our PreK program, and is on track to be ready for kindergarten. His parent was able to return to work because Eddie has secure childcare. Eddie is one of 38 children at KFICCC that depend on this program.

Unfortunately, none of this is possible without funding from the state, including the Therapeutic Child Care Grant Program. Although we have a good business model, the funds from the state ensure that we are able to provide education and care for children regardless of a family's ability to pay or the



**Administration**  
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Engagement • Finance  
Human Resources & Staff Development  
Information Technology • Quality Assurance  
Respite Coordination  
7362 Calhoun Place  
Rockville, MD 20855

**Adult Services**  
Community Living  
Employment  
& Meaningful Day  
Personal Supports  
7362 Calhoun Place  
Rockville, MD 20855

**Children & Youth Services**  
After All  
4140 Wexford Drive  
Kensington, MD 20895  
  
**KFICCC**  
10611 Tenbrook Drive  
Silver Spring, MD 20901

child's needs. Timely and reliable funds from the State of Maryland are necessary for KFICCC to operate, and a reduction of more than half will have a lingering impact.

**We ask for your help to restore \$2.2 Million to the Therapeutic Child Care Grant Program (R00A02.57) to the FY26 budget AND conform the House Bill 185 to the same language/posture as Senate Bill 359, to ensure the appropriation of \$3.7 million will be in place for the Therapeutic Child Care Grant Program for FY27-29.**

There are dozens of children like Eddie that are relying on you to preserve this funding.

Sincerely,

*Daria Cervantes*

Daria Cervantes  
Chief Executive Officer  
The Arc Montgomery County

## **HB 296 – Personal Property Tax - Exemption for Low**

Uploaded by: Danna Blum

Position: UNF



February 24, 2025

Ways and Means Committee  
Delegate Vanessa E. Atterbeary  
Room 131  
House Office Building  
Annapolis, Maryland 21401

**Re: HB 296 – Personal Property Tax - Exemption for Low Assessments – Alteration - Oppose**

Dear Delegate Atterbeary:

HB 296 would change the reporting of business tangible personal property to below the current \$20,000 threshold in Maryland. We do not see a justifiable reason to increase the compliance burden on the many entities who report tangible personal property.

The Carroll County Chamber of Commerce, a business advocacy organization of nearly 700 members, opposes this bill. We therefore request that you give this bill an unfavorable report.

Sincerely,

A handwritten signature in black ink that reads "Mike McMullin".

Mike McMullin  
President  
Carroll County Chamber of Commerce

CC: Delegate Chris Tomlinson  
Senator Justin Ready