

TESTIMONY

February 18, 2025

Committee: House Ways and Means Committee

Bill: HB 907 – Property Tax Credit - Urban Agricultural Property – Alterations

Position: Oppose

Reason for Position:

The Maryland Municipal League opposes House Bill 907, which would substantially alter the existing property tax credit uses for urban agriculture. The League has long supported the creation and use of optional tax credits. However, when existing optional tax credits are altered, they can have a significant impact beyond the uses envisioned when local governments enacted them. This is the case for HB 907.

The tax credit currently limited to crop production activities on at least one-eighth of an acre and not more than 5 acres would now be expanded to real property used in the production of value-added agriculture products – including wineries, breweries, and other commercial structures – on any parcel that isn't assessed as agriculture land.

Further, new provisions of the bill in (c)(2)(ii) would force a jurisdiction to provide the credit for these uses even if they wished to repeal the “optional” tax credit, by instituting a 1-year notice and appeals process (unclear how that would work).

MML believes it would be more appropriate to establish a new optional tax credit for the uses envisioned in HB 907, so that jurisdictions can weigh the pros and cons with constituents in local legislative chambers prior to their enactment.

For these reasons, the Maryland Municipal League respectfully requests an **unfavorable** report on House Bill 907. For more information, please contact Justin Fiore, Deputy Director of Advocacy and Public Affairs, at justinf@mdmunicipal.org. Thank you in advance for your consideration.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 161 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.

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