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MAYOR

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HB101

January 21, 2025

TO: Members of the Ways and Means Committee

FROM: Nina Themelis, Director of Mayor's Office of Government Relations

RE: House Bill 101 - Property Tax - Deadline to Set County and Municipal Corporation Tax Rates - Alteration

POSITION: Letter of Concern

Chair Peña-Melnyk, Vice Chair Rosapepe and members of the Committee, please be advised that the Baltimore City Administration (BCA) **has concerns** with House Bill (HB) 101.

HB101 changes the deadline for a governing body of a county or municipality to set its property tax rate for the next tax year, moving it from July 1 to June 1.

Baltimore's City Charter requires the Council finalize the budget for the next year 5 days before the end of the current fiscal year (June 30th). Typically, the City Council begins their deliberations on the annual budget in mid-May before completing their work on the budget in mid-late June. Given the timing of receiving final property tax assessment data, any impacts from legislation passed by the General Assembly, and local share funding requirements for the local share portion of the budget for schools it would be difficult for the City to make any significant changes to our current timelines and processes for budget deliverables.

Given these time constraints, the City does not have the final property tax rate by June 1st. If this legislation is enacted, the City will submit the projected rate based on the Board of Estimates Recommended Budget. We would need flexibility to revise the rate should the City Council reduce the rate as part of their budget deliberations.

Thank you for your attention and consideration of the above information for HB101.