



House Bill 330

Property Tax - Improvements to Property Adjacent to Rail Stations - Subclass, Special Rate, and Penalty

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Ways and Means and
Environment and Transportation Committees

Date: February 4, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS HB 330 WITH AMENDMENTS**. HB 330 allows counties to create a new subclass of real property for improvements within one mile of a rail station and establish a special property tax rate for those properties.

This bill gives local governments a flexible tool to drive transit-oriented development and strengthen economic growth. However, MACo urges amendments to ensure every dollar of locally generated revenue directly benefits county residents and services.

Under the bill, any additional revenue generated from the special property tax rate would be split evenly between the State's Transportation Trust Fund and the local jurisdiction. This structure diverts local tax revenues to the State, even though counties are responsible for land use planning, infrastructure, and public services in these areas.

Counties must retain complete control over revenue generated within their jurisdictions. Keeping these funds local allows counties to reinvest in essential services, transportation improvements, and economic development initiatives reflecting local needs and priorities. As such, MACo urges an amendment to ensure all revenue from this special tax rate stays with local governments.

MACo supports strategic land use and infrastructure investment near transit hubs while ensuring counties retain control over local tax policy. Counties need tools that provide flexibility and promote economic development without ceding control of locally raised revenues.

Accordingly, MACo urges the Committee to issue a **FAVORABLE WITH AMENDMENTS** report on HB 330.