



## House Bill 23

**Position: Unfavorable**

Committee: Ways and Means

Date: January 28, 2025

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Founded in 1968, the Maryland Chamber of Commerce (Maryland Chamber) is a statewide coalition of more than 7,000 members working to develop and promote strong public policy that ensures sustained economic growth and opportunity for all Marylanders.

House Bill 23 (HB 23) would authorize counties to establish, by law, a subclass of real property consisting of certain commercial and industrial property and to set a special property tax rate for certain commercial and industrial property for the purpose of financing certain transportation improvements or the approved budget of the county board of education.

The Maryland Chamber is concerned that counties could utilize the authority established under HB 23 to levy large tax increases against specific types of property. Levying large tax increases will further disincentivize investment and limit economic growth at a time when rising property taxes and rent control policies in certain counties are beginning to drive away investment and development.

According to Savills, property taxes on industrial buildings have grown by 21.3% in studied markets over the past five years. Considering the recent and significant increases in property taxes paid by owners of industrial properties, the Maryland Chamber is concerned that providing counties with authority to increase property tax rates will only exacerbate Maryland's need for more development. For these reasons, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **HB 23**.