

January 16th 2026

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: MBIA Letter of Support with Amendment- SB 137 Personal Property Tax – Exemptions for Low Assessment – Alteration

Dear Chairman Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **SB 137 Personal Property Tax – Exemptions for Low Assessment – Alteration**.

This bill allows the State Department of Assessments and Taxation (SDAT) to collect information and require tax filings from businesses whose personal property had a total original cost of less than \$20,000. While we understand the State wants to improve oversight and data accuracy, this bill brings unintended consequences to homeowners' associations (HOA) that are often managed by builders during the early stages of development. In those early stages, the HOAs operate with a low budget and limited administrative capacity. Requiring the HOA to file personal property tax returns, despite remaining tax exempt, is an unnecessary and costly burden on the HOA, which will not have enough resources to submit the tax filings. We are concerned that this new requirement will divert limited funds from more important responsibilities (code compliance, maintaining common areas, insurance coverage, etc.) and will ultimately pass these new costs down to homebuyers. We respectfully request an exemption for Homeowner's Associations.

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report with Amendments. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Budget and Taxation Committee