



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

SB 224 – Property Tax – Authority of Counties to Establish a Subclass and Set a Special Rate for Commercial and Industrial Property

DATE: January 21, 2026
COMMITTEE: Senate Budget and Taxation Committee
POSITION: Favorable
FROM: The Office of Frederick County Executive Jessica Fitzwater

As the County Executive of Frederick County, I urge the committee to give **SB 224 – Property Tax – Authority of Counties to Establish a Subclass and Set a Special Rate for Commercial and Industrial Property** a favorable report.

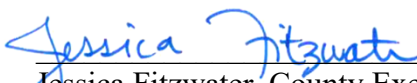
This bill would authorize county governments to set special property tax rates for certain subclasses of commercial or industrial property to fund transportation improvements in that immediate area or meet school funding needs.

Local governments are facing increasingly tight budgets due to changing populations, aging infrastructure, and uncertainty at the federal level. At the same time, we have limited tools to raise the revenue required to finance the investments needed for our communities. Property taxes remain our primary revenue source, yet rising assessments and inflation create pressure to keep rates low. Frederick County, the fastest-growing in the state, faces especially high demands for transportation and education funding.

SB 224 offers a creative solution by granting counties the flexibility to adopt special tax rates for specific property subclasses. As enabling legislation, counties must establish frameworks through local law, ensuring public input. The bill also exempts residential portions of mixed-use properties and allows tax credits for small businesses—helping balance burdens across industries.

As a county leader who is deeply committed to the promises of Blueprint for Maryland's Future and the needs of our transportation infrastructure, I believe it is crucial that we utilize creative and progressive solutions to raise revenues without inequitably impacting our constituents. SB 224 will give local governments added flexibility in property tax structures to do exactly that.

Thank you for your consideration of SB 224. I urge you to advance this bill with a favorable report.



Jessica Fitzwater, County Executive
Frederick County, MD