



January 21, 2026

Legislative Position: Unfavorable

Senate Bill 224

Property Taxes - Authority of Counties to Establish a Subclass  
and Set a Special Rate for Commercial and Industrial Property

Senate Budget & Taxation Committee

Dear Chair Guzzone and members of the committee:

Founded in 1969, the Howard Chamber of Commerce is dedicated to helping businesses, from sole proprietors to large international firms, grow and succeed. With the power of 700 members that encompass more than 170,000 employees, the Howard County Chamber is an effective partner with elected officials and advocates for the interests of the county's business community.

As introduced, SB 224 would authorize local jurisdictions to create a subclass of real property and impose a special property tax rate of up to 12.5 cents per \$100 of assessed value, applied to certain commercial and industrial properties. While the targeted intent and use of the generated revenue is appreciated, the Howard County Chamber believes SB 224 could have a significant and negative impact on local businesses and the overall competitiveness of Maryland's economy.

Granting local jurisdictions the authority to levy targeted property tax increases on specific subclasses of real property creates an uneven and unpredictable business climate. Commercial and industrial property owners, who already shoulder a heavy share of local tax burden, would be further singled out. The discretionary nature of this authority also risks creating significant disparities among Maryland counties, placing businesses in higher-tax jurisdictions like Howard County at a competitive disadvantage compared to neighboring counties and surrounding states.

It's no secret Maryland businesses are grappling with rising costs of labor, materials, energy, and financing. Additional property tax burdens will discourage reinvestment, expansion, and job creation at a time when Maryland desperately needs private sector investment to make up for the significant losses in the public sector job market. SB 224 could undermine efforts to attract new employers to Maryland, particularly those considering other regional or interstate locations where overall tax and operating costs are lower and more predictable.

Howard County's business community consistently identifies the high cost of doing business in Maryland as a major concern. Increasing property taxes on commercial and industrial properties would only exacerbate these challenges and weaken the state's long-term economic competitiveness.



For these reasons, the Howard County Chamber of Commerce respectfully urges the committee to issue an **unfavorable report** on **SB 224**.

Sincerely,

Kristi Simon  
President & CEO  
Howard County Chamber of Commerce