



# SIERRA CLUB

MARYLAND CHAPTER

P.O. Box 278  
Riverdale, MD 20738

**Committee: Budget and Taxation**

**Testimony on: SB 457, Property Taxes – Authority of Counties to Establish Subclasses and Set Separate Rates for Land and Improvements to Land**

**Position: Support**

**Hearing Date: February 18, 2026**

The Maryland Chapter of the Sierra Club urges a favorable report on SB 457. This bill would enable Baltimore City or counties to establish subclasses of real property consisting of land and improvements to land and set separate real property tax rates for each subclass.

With a split-rate property tax, a jurisdiction would be allowed to tax land and buildings at different rates. This authority could be used to encourage owners of underdeveloped land to maximize the number of homes or businesses on their land in order to lower the per-tenant tax burden. The Maryland Sierra Club is interested in this bill as a way to help incentivize development and density around rail stations where it is most sustainable to concentrate new growth.

Rail stations are massive public investments, which in turn significantly increase the value of nearby properties. However, the full potential benefit of this public investment in terms of transit-oriented development and tax revenue is not generally fully captured by local governments due to the design of the traditional property tax system.

Split-rate taxes can be designed to maximize the desired type of economic development, such as redevelopment of underutilized commercial parcels, and can be implemented in a way that does not increase taxes on certain property owners, such as homeowners. This change would provide Baltimore and Maryland's counties with more authority over their property tax systems.

For these reasons, we urge you to submit a favorable report of SB 457.

Jane Lyons-Raeder  
Chair, Transportation Committee  
janelyons@gmail.com

Josh Tulkin  
Chapter Director  
Josh.Tulkin@MDSierra.org