

March 31, 2026

Senate Bill 851

Anne Arundel County - Property Tax Credit - Rural Legacy Program

House Ways and Means Committee

Position: FAVORABLE

Anne Arundel County **SUPPORTS** Senate Bill 851– Anne Arundel County - Property Tax Credit - Rural Legacy Program.

Preservation of farms and forests is a priority goal in Maryland and Anne Arundel County. Preserving these lands protects natural resources, supports the agricultural economy, enhances quality of life, and supports smart growth and sustainable development. Anne Arundel County has preserved over 14,900 acres of land through our Agricultural and Woodland Preservation Program. The Anne Arundel South Rural Legacy Area (RLA) comprises 37,381 acres in southern Anne Arundel County, aimed at preserving contiguous farms, forests, and natural resources, particularly between the Patuxent and Rhode Rivers. As of December 2025, nearly 58% (over 21,600 acres) of this area is protected through public parks and conservation easements. The County uses three conservation easement programs that are similar and complement each other:

- Rural Legacy - a program funded by grants from the Maryland Department of Natural Resources that is designed to preserve agricultural and natural resources in a designated Rural Legacy Area
- Maryland Agricultural Land Preservation Foundation (MALPF) - which focuses on preserving large farms with the most productive soils for agriculture. State funds are matched with County funds to purchase easements.
- County's own agricultural and woodland preservation program - which uses County funds only

These three programs are all voluntary, and in each the landowner places a permanent deed restriction on the property to limit future residential development. The government agency buys the development rights and the land stays in private ownership. Owners can continue to operate the farm, pass it on to the next generation or sell it to another farmer, and the deed restrictions remain. County staff work with landowners to match their property and their goals and needs with the program that best fits. In addition to paying to purchase the development rights, Anne Arundel County offers a tax credit on the County portion of the real estate bill. That tax credit is available to landowners with County and MALPF easements, but not to landowners with Rural Legacy easements.

This legislation authorizes Anne Arundel County to provide a property tax credit for landowners that voluntarily enter into a Rural Legacy conservation easement, which extinguishes development rights and preserves the agricultural and natural resource values of the land. Property tax credits are already available to landowners who voluntarily preserve their property through the Maryland Agricultural Land Preservation Foundation (MALPF) program or the County's own preservation program and this bill would offer that same option for landowners who utilize the Rural Legacy program. The credit only applies to the County portion of the real property tax, not the State portion. There are existing provisions in State law specifically for Harford and Charles County to allow property tax credits for parcels under Rural Legacy conservation easement.

The legislation is targeted and limited. There are only 21 properties in Anne Arundel County that currently have Rural Legacy easements and would be eligible. The tax credit would lower their property tax bills by about \$1,300 per year on average. That is not dramatic, but it is important to those landowners and is significant for the narrow profit margins on farms. When landowners voluntarily put their property into these conservation programs, they are making major financial decisions for their family for generations to come. Funds for land conservation are limited. We need to leverage all of the programs and resources we can. The fact that the tax credit isn't available for one of the programs makes it much harder for the County and landowners to use.

Accordingly, Anne Arundel County respectfully requests a **FAVORABLE** report on Senate Bill 851.