



February 17, 2026

Bill: SB 735/HB 1088 – Property Tax – Petition to Review Value of Commercial Real Property

Position: Support

Dear Chair, Vice Chair, and Members of the Committee:

On behalf of the City of Gaithersburg, I am writing to express our strong support for Property Tax – Petition to Review Value of Commercial Real Property. This legislation provides municipal and county governments with an important, practical tool to ensure that commercial property assessments are fair, accurate, and reflective of current market conditions.

This legislation authorizes a county or municipal corporation to submit a petition for review to appeal the value of commercial real property, rather than relying solely on individual property owners to initiate appeals. This authority is especially important for municipalities like Gaithersburg, where a significant portion of our tax base depends on commercial assessments that must keep pace with changing market realities, redevelopment, and shifting economic conditions.

The City of Gaithersburg views this legislation as a common sense good government measure that will:

- Promote equity by helping ensure that similarly situated commercial properties are assessed on a consistent and accurate basis.
- Protect local revenues that support core services such as public safety, transportation, housing, and community development by correcting clear assessment errors or outdated valuations.
- Improve transparency and accountability in the property tax system by allowing local governments, who are closest to on the ground development activity, to raise legitimate concerns with assessment authorities.

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MAYOR
Jud Ashman

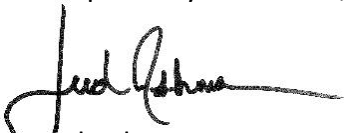
COUNCIL MEMBERS
Neil Harris
Lisa Henderson
Yamil Hernández
Jim McNulty
Robert Wu

CITY MANAGER
Tanisha R. Briley

Importantly, the bill's 20% threshold for a local government initiated petition is a guardrail that ensures this new authority is used only in exceptional circumstances, not for routine disagreements with assessments. A sale price that is at least 20% higher than the prior sale is a clear, objective indicator that the existing assessment may be materially out of step with market reality, and limiting petitions to that level of change prevents any "floodgates" of out of cycle appeals. In practice, this means that local governments would only step in where there is compelling, market based evidence of a significant under valuation, not to second guess the Department of Assessments and Taxation or to relitigate marginal changes. The 20% standard preserves the predictability and integrity of Maryland's triennial assessment cycle, while giving municipalities like Gaithersburg a narrowly tailored tool to address the most obvious and substantial discrepancies that, if left uncorrected, shift the tax burden onto other property owners.

We respectfully urge a favorable report. Thank you for your consideration and for your continued partnership with Maryland's municipalities in strengthening our communities.

Respectfully submitted,



Jud Ashman, Mayor
City of Gaithersburg

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