

Bill No.: \_\_\_\_\_

Requested: \_\_\_\_\_

Committee: \_\_\_\_\_

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By: **Montgomery County Delegation and Prince George’s County Delegation**

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George’s County – Property Tax Setoffs in Municipal Corporations –**  
3 **Maryland–National Capital Park and Planning Commission Taxes**

4 **MC/PG 125–07**

5 FOR the purpose of requiring the governing body of Prince George’s County under  
6 certain circumstances to grant a property tax setoff to a municipal corporation  
7 as to the property tax imposed by Prince George’s County for the  
8 Maryland–National Capital Park and Planning Commission; requiring the  
9 governing body of Prince George’s County to consider certain services and  
10 programs provided by the Maryland–National Capital Park and Planning  
11 Commission in determining the county property tax rate to be set for  
12 assessments of property in a municipal corporation; and generally relating to  
13 property tax setoffs in municipal corporations in Prince George’s County.

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – Property  
16 Section 6–305  
17 Annotated Code of Maryland  
18 (2001 Replacement Volume and 2006 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – Tax – Property**

22 6–305.

23 (a) In this section, “tax setoff” means:

24 (1) the difference between the general county property tax rate and  
25 the property tax rate that is set for assessments of property in a municipal  
26 corporation; or

27 (2) a payment to a municipal corporation to aid the municipal  
28 corporation in funding services or programs that are similar to county services or  
29 programs.

30 (b) This section applies only in:

31 (1) Allegany County;

32 (2) Anne Arundel County;

33 (3) Baltimore County;

34 (4) Frederick County;

35 (5) Garrett County;

36 (6) Harford County;

37 (7) Howard County;

38 (8) Montgomery County; and

39 (9) Prince George’s County.

40           (c)    **(1)**    The governing body of the county shall meet and discuss with the  
41 governing body of any municipal corporation in the county the county property tax  
42 rate to be set for assessments of property in the municipal corporation as provided in  
43 this section.

44                   **(2)**    After the meeting if it can be demonstrated that a municipal  
45 corporation performs services or programs instead of similar county services or  
46 programs, the governing body of the county shall grant a tax setoff to the municipal  
47 corporation.

48                           **(3)**    **IN PRINCE GEORGE’S COUNTY, AFTER THE MEETING IF IT**  
49 **CAN BE DEMONSTRATED THAT A MUNICIPAL CORPORATION PERFORMS**  
50 **SERVICES OR PROGRAMS INSTEAD OF SIMILAR SERVICES OR PROGRAMS**  
51 **PROVIDED IN PRINCE GEORGE’S COUNTY BY THE MARYLAND–NATIONAL**  
52 **CAPITAL PARK AND PLANNING COMMISSION, THE GOVERNING BODY OF**  
53 **PRINCE GEORGE’S COUNTY SHALL GRANT A TAX SETOFF TO THE MUNICIPAL**  
54 **CORPORATION AS TO THE PROPERTY TAX IMPOSED BY PRINCE GEORGE’S**  
55 **COUNTY FOR THE MARYLAND–NATIONAL CAPITAL PARK AND PLANNING**  
56 **COMMISSION.**

57           (d)    In determining the county property tax rate to be set for assessments of  
58 property in a municipal corporation, the governing body of the county shall consider:

59                   (1)    the services and programs that are performed by the municipal  
60 corporation instead of similar county services and programs, **INCLUDING, IN PRINCE**  
61 **GEORGE’S COUNTY, SERVICES AND PROGRAMS PROVIDED BY THE**  
62 **MARYLAND–NATIONAL CAPITAL PARK AND PLANNING COMMISSION;** and

63                   (2)    the extent that the similar services and programs are funded by  
64 property tax revenues.

65           (e)    The county property tax rate for assessments of property located in a  
66 municipal corporation is not required to be:

67                   (1)    the same as the rate for property located in other municipal  
68 corporations in the county; or

69                   (2)    the same as the rate set in a prior year.

70           (f)   (1)   At least 180 days before the date that the annual county budget is  
71 required to be approved, any municipal corporation in the county that desires that a  
72 tax setoff be provided shall submit to the county a proposal that states the desired  
73 level of property tax setoff for the next fiscal year.

74                   (2)   (i)   A request submitted under paragraph (1) of this subsection  
75 shall be accompanied by:

76                           1.   a description of the scope and nature of the services or  
77 programs provided by the municipal corporation instead of similar services or  
78 programs provided by the county, **INCLUDING, IN PRINCE GEORGE’S COUNTY,**  
79 **SERVICES OR PROGRAMS PROVIDED BY THE MARYLAND–NATIONAL CAPITAL**  
80 **PARK AND PLANNING COMMISSION;** and

81                           2.   financial records and other documentation regarding  
82 municipal revenues and expenditures.

83                           (ii)   The materials submitted under subparagraph (i) of this  
84 paragraph shall provide sufficient detail for an assessment of the similar services or  
85 programs.

86                   (3)   After receiving a proposal from a municipal corporation requesting  
87 a tax setoff under this subsection, the governing body of the county shall promptly  
88 submit to the municipal corporation financial records and other documentation  
89 regarding county revenues and expenditures.

90           (g)   (1)   At least 90 days before the date that the annual county budget is  
91 required to be approved, the county and any municipal corporation submitting a tax  
92 setoff request under subsection (f) of this section shall designate appropriate policy  
93 and fiscal officers or representatives to meet and discuss the nature of the tax setoff  
94 request, relevant financial information of the county and municipal corporation, and  
95 the scope and nature of services provided by both entities.

96                   (2)   A meeting held under paragraph (1) of this subsection may be held  
97 by the county representatives jointly with representatives from more than one  
98 municipal corporation.

99                   (3)   (i)    The county officers or representatives may request from the  
100 municipal corporation officers or representatives additional information that may  
101 reasonably be needed to assess the tax setoff.

102                               (ii)   The municipal corporation officers or representatives shall  
103 provide the additional information expeditiously.

104           (h)   (1)   At or before the time the proposed county budget is released to the  
105 public, the county commissioners, the county executive of a charter county, or the  
106 county council of a charter county without a county executive shall submit a statement  
107 of intent to each municipal corporation that has requested a tax setoff.

108                   (2)   The statement of intent shall contain:

109                               (i)    an explanation of the level of the proposed tax setoff;

110                               (ii)   a description of the information or process used to determine  
111 the level of the proposed tax setoff; and

112                               (iii)  an indication that, before the budget is enacted, appropriate  
113 officials or representatives of the municipal corporation are entitled to appear before  
114 the county governing body to discuss or contest the level of the proposed tax setoff.

115           (i)    Representatives of each municipal corporation in the county requesting a  
116 tax setoff shall be afforded an opportunity to testify before the county governing body  
117 during normally scheduled hearings on the county's proposed budget.

118           (j)    Notwithstanding the provisions of subsections (d), (f), and (g) of this  
119 section:

120                   (1)   a county and one or more municipal corporations may enter into an  
121 agreement setting different terms or timing for negotiations, calculations, or approval  
122 of a tax setoff; and

123                   (2)   a county may grant a tax setoff to a municipal corporation that  
124 does not make a request in the fashion described in this section.

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125           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
126   October 1, 2007.