



House Bill 89

Property Tax Credit – Public Safety Officers - Administration

MACo Position: **SUPPORT**

To: Budget & Taxation Committee

Date: March 27, 2018

From: Barbara Zektick

The Maryland Association of Counties (MACo) **SUPPORTS** HB 89. This bill relieves the State Department of Assessments and Taxation (SDAT) of responsibility for administering a local government public safety officers' property tax credit enabled last Session.

The public safety officers' tax credit enables local governments to grant, by law, a property tax credit of up to \$2,500 against the local property tax for dwellings located within the taxing jurisdiction and owned by public safety officers. Anne Arundel County enacted this property tax credit over the previous year, and Baltimore City also enacted a property tax credit for public safety officers under similar authority.

SDAT does not generally perform administrative duties for tax credit programs like this, and does not administer the public safety officer tax credit for Baltimore City. Counties prefer to exercise control over administrative functions pertaining to their own tax credits – particularly ones like this, where credit duration, amount, and eligibility requirements may vary from county to county. This is especially true considering that counties must reimburse SDAT for expenses incurred for performing these administrative functions. Counties prefer to manage these administrative functions, and their respective costs, themselves. SDAT's involvement in this particular case merely adds intergovernmental bureaucracy where it is not necessary.

For the reasons stated above, MACo requests the Committee **SUPPORT** SB 89.