



## House Bill 1276

*County Property Tax - Classifications of Real Property  
and Authority to Set Special Rates*

MACo Position: **SUPPORT**

To: Ways and Means Committee

Date: February 27, 2020

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1276. This bill expands the subclasses of real property that are established in state law for the purposes of uniform assessment methodology and authorizes counties to impose different tax rates on each subclass.

MACo generally supports legislation that provides flexibility in enacting local policies designed to react to community needs, and welcomes the opportunity to work with state policymakers to develop flexible and optional tools to effectuate a more fair and equitable distribution of the total property tax levy. Counties prefer the approach offered by HB 1276 as it provides local autonomy to determine the best way to design and administer local tax structures, rather than those that preempt local authority.

Under current law, municipalities have broad discretion to impose separate property tax rates on different subclasses of real property. This bill grants that same flexibility to counties by enabling the establishment of additional subclasses of property, including small commercial, large commercial, residential condominiums, industrial, and dual use properties. These subclasses are already established in land use codes by the State Department of Assessments and Taxation.

This legislation properly leaves the decision for implementing changes to county property tax structures in the hands of the local governments, who are best situated to determine whether such a policy is in their best interest.

HB 1276 ensures local governments have flexibility in enacting local policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for HB 1276.