



## **Senate Bill 673**

### *Personal Property Tax - State Land - Exemption*

MACo Position: **SUPPORT**  
**WITH AMENDMENTS**

Date: March 30, 2016

To: Ways and Means Committee

From: Andrea E. Mansfield

The Maryland Association of Counties (MACo) **SUPPORTS SB 673 WITH AMENDMENTS**. As introduced, this bill would have exempted from the property tax property located on governmental lands that is used for a public purpose. As amended by the Senate, the scope of the bill has been narrowed to apply only to the personal property tax in limited situations. However, MACo suggests further amendments to put the bill in the same posture as its crossfile, HB 1299, to exempt from the personal property tax cranes used for cargo handling purposes. These amendments reflect discussions that have taken place between the Maryland Port Administration, Baltimore City and County, and Ports America Chesapeake.

Ports America Chesapeake owns several cranes and other personal property subject to local personal property taxes. Concerns were expressed by the budget committees last year that the assessment of the personal property tax on Ports America Chesapeake could put Maryland at a disadvantage with other ports.

To protect local jurisdictions from lost revenue, estimated to be \$2.2 million annually, the budget committees urged the Maryland Port Administration to meet with local representatives and Ports America Chesapeake to develop an agreeable fiscal arrangement. MACo believes this bill is intended to codify that fiscal arrangement. However, as introduced and amended by the Senate, it remains much broader.

MACo would support the bill with the same amendments placed on HB 1299 to limit its scope to apply only to cranes used for cargo handling purposes accurately reflecting the arrangement between affected local governments and Ports America Chesapeake. Accordingly, MACo would urge the Committee to vote SB 673 **FAVORABLE WITH AMENDMENTS** to appropriately narrow the scope of the bill.