



## **Senate Bill 782**

*State Department of Assessments and Taxation -  
Real Property Assessments and Appeals*

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: February 24, 2021

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 782. This bill generally aims to provide more transparent, accurate, and timely property tax assessments, which will enhance equity and fairness for all taxpayers.

Uniform and accurate assessments are the foundation of fair property taxation. Maryland's triennial process and its three-year phase-in schedule provides stability and certainty for both taxpayers and local governments. The three-year reappraisal process is a reasonable compromise between the expense of annual reappraisals and the detrimental effects of longer assessment cycles.

Under current law, in any year of a three-year cycle, the State Department of Assessments and Taxation (SDAT) must revalue real property if substantial improvements add at least \$100,000 in value to the property. SB 782 requires revaluation if substantial improvements *or renovations* add at least \$50,000 in value to the property. This provides a more accurate estimate of a property's true market value, creating a more level playing field for all property owners by ensuring that all taxpayers pay their fair share of the total property tax.

SDAT should be able to implement the bill's requirements with existing resources, as local governments already provide the Department with information concerning building permits, property change of use information, property owner address changes, and other information to accurately make adjustments to the tax rolls.

SB 782 will provide more transparent and up-to-date property tax assessments. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report on SB 782.