

HOUSE BILL 133

Q1

(PRE-FILED)

5lr0058
CF SB 183

By: **Chair, Ways and Means Committee (By Request – Departmental – Assessments and Taxation)**

Requested: September 23, 2024

Introduced and read first time: January 8, 2025

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **State Department of Assessments and Taxation – Notification of Constant Yield**
3 **Tax Rate – Repeal**

4 FOR the purpose of repealing the requirement that the State Department of Assessments
5 and Taxation notify each taxing authority of the constant yield tax rate for each
6 taxable year; and generally relating to the constant yield tax rate.

7 BY repealing and reenacting, without amendments,
8 Article – Tax – Property
9 Section 2–205(a)
10 Annotated Code of Maryland
11 (2019 Replacement Volume and 2024 Supplement)

12 BY repealing
13 Article – Tax – Property
14 Section 2–205(c)
15 Annotated Code of Maryland
16 (2019 Replacement Volume and 2024 Supplement)

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

19 **Article – Tax – Property**

20 2–205.

21 (a) In this section, “taxing authority” means:

22 (1) the county council or board of county commissioners of a county;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2) the City Council of Baltimore City; and

(3) the governing body of a municipal corporation.

[(c) (1) The Department shall notify each taxing authority of the constant yield tax rate that will provide the same property tax revenue that is provided by the real property tax rate that is in effect for the current taxable year.

(2) In calculating a constant yield tax rate for a taxable year, the Department shall use an estimate of the total assessment of all real property for the next taxable year exclusive of real property that appears for the 1st time on the assessment records.

(3) (i) The Department may amend a constant yield tax rate only as provided in this paragraph.

(ii) On or before April 15 each year, the Department may amend a constant yield tax rate when a county or municipal corporation alters the homestead tax credit percentage under § 9–105 of this article.

(iii) On or before May 15 each year, the Department may amend a constant yield tax rate:

1. when directed to make a change by an enactment of the General Assembly;
2. to correct an error in the calculation of the constant yield tax rate; or
3. to reflect a significant loss of taxable base, as determined by the Director.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2025.