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**BALTIMORE CITY COUNCIL
WAYS AND MEANS
COMMITTEE**

Mission Statement

The Committee on Ways and Means (WM) is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello
Chairman**

PUBLIC HEARING

**THURSDAY, MAY 25, 2023
6:00 PM**

TO BE TELEVISED ON CHARM TV 25

Council Bill 23-0382

Annual Property Tax – Fiscal Year 2024

TAXPAYERS' NIGHT

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John Bullock – Vice Chair

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Ryan Dorsey

Antonio Glover

Odette Ramos

Robert Stokes

Staff: Jennifer Coates

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Sharon Green Middleton

Isaac “Yitzy” Schleifer

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Erick Costello

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Odette Ramos

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(HET)

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John Bullock

Mark Conway

Ryan Dorsey

Phylicia Porter

James Torrence

Isaac “Yitzy” Schleifer

Staff: Matthew Peters

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(OVERSIGHT)

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Kristerfer Burnett

Mark Conway

Eric Costello

Sharon Green Middleton

Odette Ramos

James Torrence

Staff: Richard Krummerich

LEGISLATIVE INVESTIGATIONS

Eric Costello, Chair

Sharon Green Middleton, Vice Chair

Isaac “Yitzy” Schleifer, Chair

Robert Stokes

Danielle McCray

Staff: Marguerite Currin



BILL SYNOPSIS

Committee: Ways and Means

Bill: 23-0382

Annual Property Tax – Fiscal Year 2024

Sponsor: *President Mosby at the request of the Department of Finance*

Introduced: *May 15, 2023*

Purpose:

For the purpose of providing a tax for the use of the Mayor and City Council of Baltimore for the period July 1, 2023 through June 30, 2024; and setting the semiannual payment service charge for that period.

Effective: July 1, 2022 thru June 30, 2023

Agency Reports

Not Applicable

Analysis

Current Law

I. Article VI – Board of Estimates

Section 3 et seq.

Baltimore City Charter

II. Annotated Code of the Public General Laws of Maryland (Section 10-210 – Tax – Property Article)

III. State Tax-Property Article, Section 10-204.3

Background

This Ordinance proposes a tax rate of \$2.248 on every \$100 of assessed or assessable real property in Baltimore City and a tax of \$5.62 levied on every \$100 of assessed or assessable value of:

1. Personal property; and
2. Operating real property as described in the State Tax Property Article – Section 8 – 109C.

The proposed tax rate is the same as proposed in fiscal year 2023.

Per State law, the Constant Yield Tax Rate for Baltimore City for fiscal year 2023/2024 must be advertised. As required, the advertisement was placed in the Baltimore Sun newspaper on Saturday, May 13, 2023. **A copy of the ad is attached.**

This hearing is also referred to as “**Taxpayers’ Night.**”

Taxpayers’ Night provide the residents of Baltimore City the opportunity to share comments and concerns about the City’s budget.

Note: The Committee/Council members listen to the speakers/citizens but do not answer and/or respond to questions or comments during the hearing.

Additional Information

Fiscal Note: The Fiscal Year 2024 Annual Property Tax is the same rate as last fiscal year.

Information Source(s): City Charter, Annotated Code of Maryland and State Law and Council Bill Numbers 22-0236 and 23-0382.

Additional Information

Fiscal Note:

Information Source(s): City Charter, Council Bill 22-0236 and Council Bill 23-0382.

Analysis by: *Marguerite M. Currin*
Analysis Date: May 19, 2023

Direct Inquiries to: (443) 984-3485

BALTIMORE CITY NOTICE OF A PROPOSED REAL PROPERTY TAX INCREASE

The City Council of Baltimore City proposes to increase real property taxes.

1. For the tax year beginning July 1, 2023, the estimated real property assessable base will increase by 3.4% from \$41,468,663,249 to \$42,888,815,876.

2. If Baltimore City maintains the current tax rate of \$2.248 per \$100 of assessment, real property tax revenues will increase by 3.4% resulting in \$31,925,031 of new real property tax revenues.

3. In order to fully offset the effect of increasing assessments, the real property tax rate should be reduced to \$2.1736, the constant yield tax rate.

4. The City is considering not reducing its real property tax rate enough to fully offset increasing assessments. The City proposes to adopt a real property tax rate of \$2.248 per \$100 of assessment. This tax rate is 3.4% higher than the constant yield tax rate and will generate \$31,925,031 in additional property tax revenues.

A public hearing on the proposed real property tax rate increase will be held at 6:00 P.M. on Thursday, May 25, 2023, at City Hall – Council Chambers, 4th Floor, 100 Holliday Street, Baltimore, Maryland 21202. Participants will also have the option to join the hearing via WebEx. For information on how to provide testimony, please visit the Council's web page at www.baltimorecitycouncil.com or use the following link: <https://bit.ly/BaltimoreBudget>. This page also contains information on registering for public comment.

The hearing is open to the public, and public testimony is encouraged.

All electronic comments must be submitted by 1:00 PM on Thursday, May 25, 2023.

Persons with questions regarding this hearing may call the Office of Council Services at 443-984-3485 or visit the Council's web page at www.baltimorecitycouncil.com for further information.

**CITY OF BALTIMORE
COUNCIL BILL 23-0382
(First Reader)**

Introduced by: The Council President
At the request of: The Administration (Department of Finance)
Introduced and read first time: May 15, 2023
Assigned to: Ways and Means Committee

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Annual Property Tax – Fiscal Year 2024**

3 FOR the purpose of providing a tax for the use of the Mayor and City Council of Baltimore for
4 the period July 1, 2023, through June 30, 2024; and setting the semiannual payment service
5 charge for that period.

6 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That for
7 the period July 1, 2023, through June 30, 2024, a tax is levied and imposed for the use of the
8 Mayor and City Council of Baltimore on all property in the City of Baltimore (except property
9 exempt by law), as follows:

10 (a) except as otherwise specified in item (b) of this section, a tax of \$2.248 is levied and
11 imposed on every \$100 of assessed or assessable value of real property; and

12 (b) a tax of \$5.62 is levied and imposed on every \$100 of assessed or assessable value of:

13 (1) personal property; and

14 (2) operating real property described in State Tax-Property Article § 8-109(c).

15 **SECTION 2. AND BE IT FURTHER ORDAINED**, That this tax shall be paid and collected in the
16 manner prescribed by law including the provisions of Section 10-210 of the Tax-Property Article
17 of the Annotated Code of the Public General Laws of Maryland.

18 **SECTION 3. AND BE IT FURTHER ORDAINED**, That for the period July 1, 2023, through
19 June 30, 2024, the semiannual payment service charge to be imposed under State Tax-Property
20 Article § 10-204.3 is 1.169%.

21 **SECTION 4. AND BE IT FURTHER ORDAINED**, That this Ordinance takes effect on the date it is
22 enacted.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.