



BRANDON M. SCOTT
MAYOR

*100 Holliday Street, Room 250
Baltimore, Maryland 21202*

The Honorable President and
Members of the City Council

June 14, 2023

Ladies and Gentlemen:

In accordance with Article VI, Section 7 (c) of the Baltimore City Charter (2018 Edition) submitted herewith is a report for the fiscal period July 1, 2023 through June 30, 2024. The report shows the taxable basis (Table 1), the difference between anticipated General Fund expenditures approved by the City Council and expected General Fund revenues, exclusive of property taxes, and a sufficient tax rate needed to raise the difference between such anticipated expenditures and revenues from non-property tax sources.

Tax Rate Requirement for Fiscal Year 2024

General Fund Appropriation proposed by Board of Estimates	\$2,217,841,727
Council Cuts	\$1,744,002
<u>General Fund Appropriation</u>	<u>\$2,216,097,725</u>
General Fund Revenue Exclusive of Property Tax Estimated by Board of Estimates	\$1,137,021,727
Property Tax Revenue Required	\$1,079,075,998
<u>General Fund Total Required Funding</u>	<u>\$2,216,097,725</u>

Sufficient Tax Rates:

Real Property other than Public Utility	\$2.244
Personal Property and Public Utility	\$5.611

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The Tax Property Article 6-302 of the State code establishes the tax rate applicable to personal property and public utility operating real property for any taxable year beginning after June 30, 2001 as 2.5 times the rate for real property. A rate of \$0.01 (one cent) per \$100 of taxable value is estimated to yield \$653,257 in personal property tax – 2.5 times the net tax yield for personal property and public utility property of \$261,303 – and an estimated \$4,153,953 for all other real property. This estimate is based on an anticipated tax collection rate of 97.5% for all real and personal property, and estimates of the property tax base as submitted by the Maryland State Department of Assessments and Taxation as adjusted and set forth in Table 1 for Fiscal 2024.

Tax rates of \$2.244 for all real property other than public utilities and \$5.611 for all personal property and public utility real property will be sufficient to raise the required property tax revenue of \$1,079,075,998.

Respectfully submitted,



Brandon M. Scott, Mayor

on behalf of Brandon M. Scott



Nick J. Mosby, President



Bill Henry, Comptroller



Ebony Thompson, Acting City Solicitor



Jason W. Mitchell, Director of Public Works

Table 1

Property Tax One-Cent Yield

ESTIMATED ASSESSABLE BASE	Fiscal 2023	Fiscal 2024	Change
REAL PROPERTY			
Subject to \$2.248 Tax Rate			
Real Property Assessed Locally	\$41,796,794,000	\$43,421,332,958	\$1,624,538,958
Appeals, Abatements and Deletion Reductions	(43,959,000)	(407,492,000)	(363,533,000)
Adjustment for Assessment Increases over 4%	(970,890,000)	(1,039,466,000)	(68,576,000)
New Construction	236,080,000	364,997,000	128,917,000
Rail Road Property	261,370,000	265,279,000	3,909,000
Total Real Property Subject to \$2.248 tax rate	\$41,279,395,000	\$42,604,650,958	\$1,325,255,958
Subject to \$5.62 Tax Rate			
Public Utility Property	222,190,000	259,914,000	\$37,724,000
Total Public Utility Real Property Subject to \$5.62 tax rate	\$222,190,000	\$259,914,000	\$37,724,000
Total Taxable Real Property Value	\$41,501,585,000	\$42,864,564,958	\$1,362,979,958
TANGIBLE PERSONAL PROPERTY			
Subject to \$5.62 Tax Rate			
Ordinary Business Personal Property	\$1,089,400,000	\$1,097,436,000	\$8,036,000
Individuals and Firms Personal Property	\$39,950,000	\$51,502,000	\$11,552,000
Public Utilities Operating Personal Property	\$1,233,420,000	\$1,271,175,000	\$37,755,000
Total Tangible Personal Property	\$2,362,770,000	\$2,420,113,000	\$57,343,000
Total Real and Personal Property	\$43,653,818,828	\$45,284,677,958	\$1,630,859,129
ESTIMATED PROPERTY TAX YIELD			Fiscal 2024
Property Subject to \$2.248 Tax Rate			
Real Property - Gross Tax Yield from \$0.01 per \$100 of Assessable Base		\$0.01/\$100	\$4,260,465
Anticipated Rate of Collection			97.5%
Net Tax Yield from \$0.01 per \$100 of Assessable Base			\$4,153,953
Estimated Total Tax Yield Property Tax Subject to 2.248 tax rate			\$933,810,000
Property Subject to \$5.62 Tax Rate (by law 2.5 times Real Property Tax Rate)			
Real Property (Public Utilities) - Gross Tax Yield from \$0.01 per \$100 of Assessable Base		\$0.01/\$100	\$25,991
Tangible Personal Property - Gross Tax Yield from \$0.01 per \$100 of Assessable Base		\$0.01/\$100	\$242,011
Total Gross Tax Yield from \$0.01 per \$100 of Assessable Base			\$268,003
Anticipated Rate of Collection			97.5%
Net Tax Yield from \$0.01 per \$100 of Assessable Base			\$261,303
Net Tax Yield from \$0.025 per \$100 of Assessable Base (2.5 times Real Property Tax Rate)			\$653,257
Estimated Total Tax Yield Property Tax Subject to \$5.62 tax rate			\$146,900,000
Total Estimated Property Tax Yield - Real and Personal Property			\$1,080,710,000
Net Tax Yield from \$0.01 per \$100 of Assessable Base - Real and Personal Property			\$4,807,210

Note: Figures reported in this table may not match figures cited in the Major Revenue Forecast due to rounding.