



BILL SYNOPSIS

Committee: Taxation, Finance and Economic Development

Bill 20-0631

**Sale of Property – 4701 Greenspring Avenue
aka Former Dr. Roland Patterson School #082**

Sponsor: President Brandon Scott on behalf of the Administration

Introduced: September 21, 2020

Purpose:

For the purpose of authorizing the Mayor and City Council of Baltimore to sell, at either public or private sale, all its interest in certain property located at 4701 Greenspring Avenue aka former Dr. Roland Patterson School # 082 (Block 4760, Lot 001) and no longer needed for public use; and providing for a special effective date.

Effective: Date of enactment

Agency Reports

City Solicitor	Favorable
Department of Health	
Baltimore Development Corporation	Favorable
Department of Finance	Favorable



Analysis

Current Law:

Article V – Comptroller, Section 5(b); Baltimore City Charter (1996 Edition)

Background

During the 2020 Session of the Maryland General Assembly, Senate Bill 2 and House Bill 732 were introduced and approved into State law. The purpose of the legislation was to increase the taxes imposed on cigarettes, electronic smoking devices (ESD), and other tobacco products (OTP), and require the Governor to include at least \$18.25 million in annual funding for the Tobacco Use Prevention and Cessation Program beginning in fiscal 2022.

Those pieces of legislation gave Baltimore City authorization to establish a local excise tax on Electronic Smoking Devices. So, if Bill 20-0631 Excise Tax – Electronic Smoking Devices is enacted it would establish a 30% excise tax on the distribution of electronic smoking devices, including e-cigarettes, e-hookahs and vape pens. Baltimore City may not impose a retail sales or use tax on products for sale. This tax would be due when the dealer receives the electronic smoking device, and must be paid on or before the 25th day of the month following the month in which the dealer received the electronic smoking device. This legislation would also require a Distributor of Electronic Smoking Devices to produce a monthly report of all electronic smoking devices that were supplied to dealers operating in Baltimore City.

Currently, Montgomery County is the only jurisdiction that is utilizing this excise tax on wholesalers. They estimate that the tax generated \$1.3 million in fiscal year 2019 and they project that revenues will total \$1.9 million in fiscal 2020. The Department of Finance estimates that this legislation could potentially contribute up to \$388,000 in annual revenue to the City's General Fund if enacted.

Additional Information

Fiscal Note: Not Available

Information Source(s): Agency Reports

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Analysis Date: November 11, 2020

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