



FROM	NAME & TITLE	Bill Henry, Comptroller 	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Office of the Comptroller, Room 204, City Hall		
	SUBJECT	21-0058 Property Tax – Installment Plans		

DATE:

TO

The Honorable President and  
Members of the City Council  
City Hall, Room 400

April 30, 2021

**Position: Defer to Finance**

The Comptroller’s Office is reporting on City Council Bill 21-0058 Property Tax – Installment Plans. The purpose of this legislation is to authorize the Department of Finance to create monthly installment plans for real property taxes.

**Background**

City Council Bill 21-0058 Property Tax – Installment Plans would allow taxpayers who are unable to pay their bill in full an option to instead pay their bill in installments. This change would apply to owner-occupied properties exclusively.

Currently, under state law real property taxes on owner-occupied residences and some small businesses can be paid in two equal installments, the first payment due in July and the last payment before January 1. Taxpayers are allowed to make advance lump sum payments, but are not able to quarterly, monthly, etc.

**Conclusion**

This legislation would allow owner-occupied City homeowners more flexibility in paying property taxes. The Comptroller’s Office supports making the bill paying process more flexible and manageable for residents and suspects this may have the added benefit of increasing property tax collection rates and decreasing the costs of collection efforts across the multiple agencies engaged in various real property collection processes. Offering this installment plan option to qualifying taxpayers may require an upgrade of the City’s current tax collection systems or technology platforms. If needed, funds allocated to the City under the American Rescue Plan could provide the necessary capital to move from legacy systems to a cloud-based system to meet the mandate of this legislation and offer improvements and efficiencies internally and externally to the taxpaying customers interacting with City payment systems.

**The Comptroller’s Office supports the bill’s intention, but defers to the Department of Finance as the directly impacted agency.**