

**CITY OF BALTIMORE
COUNCIL BILL 09-0104R
(Resolution)**

Introduced by: Councilmembers Curran, Henry, Young, Kraft, Middleton, Reisinger, Welch,
Holton, Branch, Cole, Clarke

Introduced and read first time: January 26, 2009

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: Department of Comptroller, City Auditor

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Informational Hearing - Parking Tax**

3 FOR the purpose of requesting the Baltimore City Comptroller and the City Auditor to report to
4 the City Council on Parking Tax collections; the number of facilities in the City the parking
5 tax should apply to; the number of facilities from which the tax is currently being collected;
6 and the amount of revenue that would be collected if all parking facilities subject to the tax
7 remitted the appropriate amount to City government.

8 **Recitals**

9 Baltimore City's parking tax, first enacted in 1968, was amended September 2008, to provide
10 for a change from the current 2-tiered rate that computed tax differently for daily and monthly
11 parking to a single 16% tax on parking. The revised tax is expected to raise from \$4 to \$6
12 million additional revenue a year and will be used, in part, to support a system of shuttle buses to
13 facilitate the movement of people around downtown neighborhoods.

14 The Department of Finance reports that Parking Tax Revenues for FY 2005 through FY
15 2009, under the 2- tiered system ranged from a low of \$16,195,784 to a high of \$18,480,586
16 (budgeted prior to passage of the new rate) for FY 2009. The projected revenues for FY 2009,
17 with the imposition of the 16% rate in December 2008, are expected to reach \$21,026,000. In
18 FY 2010, the first full year at the 16% rate, revenues are expected to be \$23,269,000.

19 As reported in *TRAC: Local Option Commercial Parking Tax Analysis*, a report prepared for
20 the Washington State Transportation Commission, "parking is a critical element in any
21 transportation system. Research has shown parking to be the most important factor in modal
22 choice as well as influential in investment and residential or job location decisions....But parking
23 is not free; if it is not paid for by the users, its cost is passed on to others. Free or subsidized
24 parking also makes the cost of driving to work very low in comparison to transit. This reinforces
25 an inefficient choice because of the considerable divergence between social costs and individual
26 responsibility for these costs."

27 In order to realize the ultimate in parking tax revenues and to make certain that those
28 individuals who use parking facilities fairly pay for the impact on our communities, it is essential
29 that a comprehensive review of parking tax collections be performed.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the
2 Baltimore City Comptroller and the City Auditor are requested to report to the City Council on
3 Parking Tax collections; the number of facilities in the City the parking tax should apply to; the
4 number of facilities from which the tax is currently being collected; and the amount of revenue
5 that would be collected if all parking facilities subject to the tax remitted the appropriate amount
6 to City government.

7 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the
8 Comptroller, the City Auditor, the Director of Finance, the Baltimore City Parking Authority
9 Board, and the Mayor's Legislative Liaison to the City Council.