City Council
City Hall, Room 408
100 North Holliday Street
Baltimore, Maryland 21202

City of Baltimore

Legislation Details (With Text)

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On agenda:		**Final action:**	7/16/2007
Enactment date:		**Enactment #:**	

Title: Annual Property Tax - Fiscal Year 2007

FOR the purpose of providing a tax for the use of the Mayor and City Council of Baltimore for the period July 1, 2006 through June 30, 2007; setting the semiannual payment service charge for that period; and providing for a special effective date.

Sponsors: James B. Kraft, Kenneth Harris, Edward Reisinger, Keiffer Mitchell

Indexes: Annual Property Tax, Tax

Code sections:

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Date	Ver.	Action By	Action	Result
7/16/2007	0	City Council	Withdrawn	
7/16/2007	0	City Council	Withdrawn	
5/18/2006	0	The City Council	Referred for a Report	
5/18/2006	0	The City Council	Referred for a Report	
5/15/2006	0	City Council	Assigned	
5/15/2006	0	City Council	Introduced	

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

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INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL

Introduced by: Councilmember Kraft

A BILL ENTITLED

AN ORDINANCE concerning
Annual Property Tax - Fiscal Year 2007

FOR the purpose of providing a tax for the use of the Mayor and City Council of Baltimore for the period July 1, 2006 through June 30, 2007; setting the semiannual payment service charge for that period; and providing for a special effective date.

Recitals

The City is projecting a surplus for Fiscal Year 2007 of some $60.9 million. That surplus is a one-time occurrence.

It is appropriate that one-half of this surplus be returned to the taxpayers of the City. Given the fact that a surplus is simply that, returning the money from the actual surplus will result in nothing more than a one-year credit, as the ability to continue it would be dependent on future surpluses of the same amount or more. Anticipating, however, the City's continued increase in new residents, property values, and median household income, and its consequent growth in income, any tax relief should be granted not from the City's surplus but from its general revenues.

One cent on the property tax rate equals $2.7 million. One half of the surplus is $30.45 million. Thus, a return of one-half of the surplus would result in an 11 cent reduction in the tax rate. This would set the rate at $2.195 for Fiscal Year 2007, which is also approximately 0.029 cents lower than the constant yield rate, or the rate at which the tax rate would need to be set in order for Fiscal Year 2007's budget to match that of Fiscal Year 2006's.

To effect this change from general revenues, it will be necessary to make a one-time reduction in the Fiscal Year 2007 budget by $30.45 million.

SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That for the period July 1, 2006 through June 30, 2007, a tax is levied and imposed for the use of the Mayor and City Council of Baltimore on all property in the City of Baltimore (except property exempt by law), as follows:

(a) except as otherwise specified in item (b) of this section, a tax of $2.195 is levied and imposed on every $100 of assessed or assessable value of real property; and

(b) a tax of $5.77, is levied and imposed on every $100 of assessed or assessable value of:

(1) personal property; and

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

SECTION 2. AND BE IT FURTHER ORDAINED, That this tax shall be paid and collected in the manner prescribed by law.

SECTION 3. AND BE IT FURTHER ORDAINED, That for the period July 1, 2006, through June 30, 2007, the semiannual payment service charges to be imposed under State Tax-Property Article § 10-204.3 is 0.642%.

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

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