



City of Baltimore

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

Legislation Text

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INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL R
(Resolution)

Introduced by: Councilmember Stokes

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning
Auditing Baltimore's Tax Programs

FOR the purpose of calling for an immediate and thorough audit of the Finance Department and the City's tax programs to determine exactly what errors have been made in administering the City's property tax programs and how much money these errors are costing the City.

Recitals

A recent media investigation revealed that calculation errors had led to under billing of at least \$700,000 in the Enterprise Zone Tax Credit program. Previous media investigations have shown millions of dollars in errors in two unrelated tax programs. It has become increasingly obvious that poor administration of various tax programs on both the State and local level is costing the City an unacceptable amount of lost revenue.

Equally troubling is the fact that these errors have repeatedly been exposed through media efforts rather than through internal controls on the tax programs. A City with chronic fiscal concerns necessitating hard choices on program cuts year after year shouldn't have to, and simply can't afford to, rely on the media to catch multimillion dollar tax errors.

The results of the limited reviews conducted by reporters make it clear that there are systematic problems with how tax bills are being calculated for Baltimore City. However, these reviews have touched on only a tiny fraction of all of the City's tax bills. The high percentage of errors they have found are alarming, and point to the possibility that millions more worth of miscalculations exist that have not yet been brought to light.

We need to get a fuller handle on the extent of the problems with tax calculations and administration. Until the extent of the problem is clear, the City can't truly begin to address it, or even accurately assess the true state of Baltimore's finances.

Only a complete and systematic audit of the Finance Department and Baltimore's tax programs can provide the full and accurate picture that is needed of the extent of the problem and just how much money may be being left on the table. Without this understanding, any attempts at real fiscal planning are bound to fail for lack of accurate information.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Council calls for an immediate and thorough audit of the Finance Department and the City's tax programs to determine exactly what errors have been made in administering the City's property tax programs and how much money these errors are costing the City.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the Director of Finance, and the Mayor's Legislative Liaison to the City Council.

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