

PROPERTY TAX SET-OFFS

THE USE OF LOCAL PROPERTY TAX DIFFERENTIALS AND TAX REBATES IN MARYLAND

FISCAL 2015



DEPARTMENT OF LEGISLATIVE SERVICES 2015

**Property Tax Set-offs:
The Use of Local Property Tax Differentials
And Tax Rebates in Maryland
Fiscal 2015**

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

December 2015

Primary Staff for This Report

Gail Renborg
Heather Ruby

Other Staff Who Contributed to This Report

Hiram Burch
Karen Belton

For further information concerning this document contact:

Library and Information Services
Office of Policy Analysis
Department of Legislative Services
90 State Circle
Annapolis, Maryland 21401

Baltimore Area: 410-946-5400 • Washington Area: 301-970-5400

Other Areas: 1-800-492-7122, Extension 5400

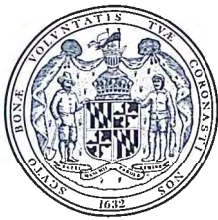
TTY: 410-946-5401 • 301-970-5401

TTY users may also use the Maryland Relay Service
to contact the General Assembly.

Email: libr@mlis.state.md.us

Home Page: <http://mgaleg.maryland.gov>

The Department of Legislative Services does not discriminate on the basis of age, ancestry, color, creed, marital status, national origin, race, religion, gender, gender identity, sexual orientation, or disability in the admission or access to its programs, services, or activities. The Department's Information Officer has been designated to coordinate compliance with the nondiscrimination requirements contained in Section 35.107 of the Department of Justice Regulations. Requests for assistance should be directed to the Information Officer at the telephone numbers shown above.



DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF THE EXECUTIVE DIRECTOR
MARYLAND GENERAL ASSEMBLY

Warren G. Deschenaux
Executive Director

December 2015

The Honorable Thomas V. Mike Miller, Jr., President of the Senate
The Honorable Michael E. Busch, Speaker of the House of Delegates
Honorable Members of the General Assembly

Ladies and Gentlemen:

At the local level, counties and municipalities share in the delivery of public services. To cover the costs of these services, residents of municipalities pay property taxes to both the county and municipal government. To compensate municipalities for services provided in lieu of similar county services, many counties in Maryland have established a tax set-off system by providing either a tax differential or tax rebate to the municipality. A tax differential is a lower county property tax rate within the municipality. A tax rebate is a direct county payment to the municipality; however, the county property tax rate within the municipality remains the same.

Tax set-off systems continue to be of interest to State and local government officials. The Department of Legislative Services, in accordance with Joint Resolution 31 of 1978, conducts an annual review of local tax set-off systems, and this report summarizes the tax set-off systems for fiscal 2015. The report also provides an overview of the current law relating to tax set-offs. This report was prepared by Gail Renborg of the Office of Policy Analysis and reviewed by Heather Ruby and Hiram Burch. Karen Belton prepared the manuscript.

The Department of Legislative Services trusts that the study will be useful to members of the General Assembly and to other persons interested in matters relating to tax set-off systems.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Deschenaux", with a long horizontal flourish extending to the right.

Warren G. Deschenaux
Executive Director

WGD/kmb

Contents

Letter of Transmittal	iii
Executive Summary	vii
Introduction	1
Structure of Local Governments	1
Background	1
Scope	3
Explanation of Exhibits and Appendices	4
Summary of Findings	4
Tax Differentials/Tax Rebates by County	16
Allegany County	16
Anne Arundel County	16
Baltimore County	17
Calvert County	17
Caroline County	17
Carroll County	18
Cecil County	18
Charles County	19
Dorchester County	19
Frederick County	20
Garrett County	20
Harford County	21
Howard County	21
Kent County	22

Montgomery County	22
Prince George’s County	23
Queen Anne’s County	24
St. Mary’s County	25
Somerset County	25
Talbot County	25
Washington County	26
Wicomico County	26
Worcester County.....	26
Appendices	27
Appendix 1. Incorporated Cities and Towns in Maryland.....	29
Appendix 2. Tax Differentials and Rebates on a Per Capita Basis	33
Appendix 3. Tax Differential Share of County Property Tax Rate.....	39
Appendix 4. County and Municipal Real Property Tax Rates	43
Appendix 5. Residents Residing in Municipalities	49
Appendix 6. Local Government Expenditures by Category	51
Appendix 7. Local Government Expenditures by County	53
Appendix 8. County and Municipal Government Expenditures	55

Executive Summary

In accordance with Joint Resolution 31 of 1978, the Department of Legislative Services conducts an annual review of local tax set-off programs for municipalities. This review utilizes a written survey followed by telephone calls when necessary. Assessable base and tax rate data maintained by the State Department of Assessments and Taxation are also used in this analysis.

A property tax set-off enables county governments to compensate municipalities for governmental services or programs that municipalities provide in lieu of similar county services or programs. These set-offs may take the form of either property tax rate differentials or tax rebates. The major governmental services performed by municipalities that may result in tax set-offs include police protection, highway and street maintenance, sanitation and waste collection, planning and zoning services, and recreation and parks services.

In Maryland, 18 of the 23 counties provided property tax set-offs for their municipalities in fiscal 2015. Of the 5 remaining counties, Baltimore and Howard counties do not have municipalities, while Kent, Wicomico, and Worcester counties chose not to establish tax set-offs.

Seven counties (Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot, and Washington) provided tax rate differentials totaling \$39.0 million for their municipalities. Five counties (Carroll, Cecil, Montgomery, St. Mary's, and Somerset) returned to their municipalities rebates totaling \$11.5 million. Six counties (Dorchester, Frederick, Garrett, Harford, Prince George's, and Queen Anne's) provided both tax differentials and rebates to

their municipalities totaling \$51.1 million. In sum, tax differentials and rebates totaled \$101.6 million in fiscal 2015, a 0.05% increase compared to the prior year. Tax differentials totaled \$81.5 million and tax rebates totaled \$20.1 million.

Over the last 10 years, the level of tax set-offs provided to municipalities has increased by \$49.6 million, or 95.5%, which represents an average annual increase of 6.9%. In fiscal 2005, the level of tax set-offs totaled \$52.0 million.

All counties, except Caroline and Kent, increased the amount of tax set-offs provided to municipalities since fiscal 2005. Kent County discontinued providing tax rebates in fiscal 2015. Increases in tax set-off amounts have been significant in most counties, with tax set-off amounts at least doubling in 10 of the 14 counties that experienced an increase. In Frederick County, for example, the tax set-off amount for fiscal 2015 (\$13.0 million) is almost three times what it was in fiscal 2005 (\$4.8 million). In Dorchester County, a tax rebate totaling approximately \$69,000 was provided in fiscal 2005. Since that time, tax rebates provided by the county have grown to \$379,404 in fiscal 2015.

Of the State's larger counties, only Prince George's County provided a dramatically higher tax set-off in fiscal 2015 (\$26.8 million) than it did in fiscal 2005 (\$12.3 million). While Montgomery and Anne Arundel counties have also had increases in their tax set-offs, these increases have not been above the average annual increase. Montgomery County provided tax rebates of \$6.0 million in fiscal 2005. In

fiscal 2015, the county provided tax rebates totaling \$7.8 million, which represents an average annual increase of 2.6%. Similarly, in Anne Arundel County, the total value of the tax rate differential increased by \$9.0 million over the 10-year period, which represents an average annual increase of 4.8%. Most of this increase, however, is due to the assessable base growth in the City of Annapolis.

Kent County was the only county that provided a tax set-off in fiscal 2014 but did not also provide a tax set-off in fiscal 2015. Queen Anne's County did not provide tax set-offs in fiscal 2014 but began providing both tax rate differentials and rebates in fiscal 2015. Of the 18 counties providing tax set-offs in fiscal 2015, the tax set-off amount decreased relative to the amounts provided in fiscal 2014 in 9 counties. The set-off amount remained the same in Montgomery and Somerset counties and increased in Carroll, Charles, Frederick, Garrett, Harford, and Talbot counties.

Property Tax Set-offs: The Use of Local Property Tax Differentials And Tax Rebates in Maryland Fiscal 2015

Introduction

Property tax set-offs are meant to compensate for double taxation of municipal taxpayers occurring when both municipal and county property taxes are levied to fund similar services. Therefore, counties compensate municipal taxpayers with property tax set-offs through a tax rate differential or through a tax rebate. A tax rate differential results in a lower county property tax rate within the boundaries of a municipality, whereas a tax rebate is a direct payment to a municipality for providing the services or programs.

Structure of Local Governments

There are 156 municipalities in Maryland. According to July 2014 census data, 15.5% of Maryland residents live within municipalities. However, on the Eastern Shore and in Western Maryland, there are nine counties that have over 30% of their residents living in municipalities. Compared to counties, municipalities in Maryland provide a more limited array of public services. Public works and public safety are the two largest functions of municipal governments, comprising 67.0% of municipal expenditures in fiscal 2013. As shown in **Exhibit 1**, municipalities accounted for approximately 4.5% of total local government expenditures. In five counties, municipal governments accounted for over 15% of local government expenditures.

Background

Section 6-305 of the Tax-Property Article of the Annotated Code of Maryland mandates that Allegany, Anne Arundel, Baltimore, Garrett, Harford, Howard, Montgomery, and Prince George's counties meet annually with the governing bodies of municipal corporations (municipalities) to discuss the property tax rate to be set for assessments of property in the municipal corporation. If it is demonstrated that a municipal corporation performs services or programs in lieu of similar county services and programs, the governing body of the county **shall impose** the county property tax on assessments of property in the municipal corporation at a rate that is less than the general county property tax rate. Section 6-305.1 requires Frederick County to meet annually with the governing bodies of municipal corporations (municipalities) to discuss the property tax rate to be set for assessments of property in the municipal corporation. If it can be demonstrated that a municipal corporation performs services or programs in lieu of similar county services and programs, Frederick County must grant a tax set-off to the municipality in

accordance with a formula agreed to by the county and the municipality. If Frederick County and a municipality fail to reach an agreement concerning the formula by which a tax set-off is to be calculated, Frederick County must grant a tax set-off using the formula for the preceding taxable year.

Exhibit 1
Local Government Expenditures
Fiscal 2013
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$27,597.4	95.5%
Municipal Level	1,290.2	4.5%
Total	\$28,887.7	100.0%

<u>Municipal Level</u>	<u>Expenditures</u>	<u>Percent of Total</u>
Public Works	\$559.3	43.4%
Public Safety	305.3	23.7%
General Government	155.4	12.0%
Parks, Recreation, & Culture	96.2	7.5%
Community/Economic Development	43.3	3.4%
Miscellaneous	46.8	3.6%
Debt Service	83.8	6.5%
Total	\$1,290.2	100.0%

Source: Department of Legislative Services

Section 6-306 governs the procedure for the setting of a tax differential in the other counties. The governing bodies of the counties are required to meet annually with governing bodies of municipal corporations to discuss the property tax rate to be set for assessments of property in the municipal corporation. If it is demonstrated that the municipal corporation performs services or programs in lieu of similar county services, the county **may establish** a county property tax rate for property in the municipal corporation that is lower than the general county property tax rate.

Alternatively, both of the above sections provide the counties with the option of making a payment to the municipal corporation to aid the municipal corporation in funding municipal

services or programs that are similar to county services or programs. This is commonly known as a tax rebate.

Subsections (d) and (e) of Sections 6-305 and 6-306 of the Tax-Property Article define the procedures for determining the county property tax rate within a municipal corporation. The provisions follow:

(d) *Setting county rate for municipal corporation.* In determining the county property tax rate to be set for assessments of property in a municipal corporation, the governing body of the county shall consider:

- (1) the services and programs that are performed by the municipal corporation instead of similar county services and programs; and
- (2) the extent that the similar services and programs are funded by property tax revenues.

(e) *Rate need not be uniform.* The county property tax rate for assessments of property located in a municipal corporation is not required to be:

- (1) the same as the rate for property located in other municipal corporations in the county; or
- (2) the same as the rate set in a prior year.

A county and one or more municipal corporations may enter into an agreement setting different terms or timing for negotiations, calculations, or approval of a tax set-off than are set out under Sections 6-305 and 6-306.

Scope

This report identifies tax differentials and tax rebates made by the governing bodies of the counties during fiscal 2015. Information was obtained from a survey of the counties and the State Department of Assessments and Taxation. Specifically, assessable base information and tax rate differentials were obtained by using data from the State Department of Assessments and Taxation. The tax rate differentials are calculated per \$100 of assessed property value.

The following payments are excluded from amounts reported as tax rebates:

- mandatory State pass-through from the counties to the municipalities such as supplemental police aid and distributions from the State Fire, Rescue, and Ambulance Fund;

- county sales and services taxes, license fees, and alcoholic beverage dispensary profits required by State law to be shared with municipalities; and
- funds to which a municipality has a claim, such as Program Open Space.

Explanation of Exhibits and Appendices

- **Exhibits 2 and 3** summarize the findings of the tax set-off study for fiscal 2015.
- **Exhibit 4** shows the magnitude of tax differentials and rebates in fiscal 2015.
- **Exhibit 5** compares the tax differential and rebate amounts for the 26 largest municipalities on a per capita basis.
- **Exhibit 6** shows the trend in tax set-offs for fiscal 2012 through 2014.
- **Exhibit 7** compares tax set-offs authorized in fiscal 2015 to those in fiscal 2014.
- **Exhibit 8** compares a county's tax set-off amount in fiscal 2015 with the amount provided in fiscal 2005.
- **Exhibit 9** shows the assessable base for municipalities in the jurisdictions that provided tax rate differentials (Allegany, Anne Arundel, Calvert, Caroline, Charles, Dorchester, Frederick, Garrett, Harford, Prince George's, Queen Anne's, Talbot, and Washington counties).
- **Appendix 1** lists the municipalities by county.
- **Appendix 2** provides a listing of the tax differential and rebate amounts for each municipality in fiscal 2015 on a per capita basis.
- **Appendix 3** compares the tax differential amount to the county property tax rate.
- **Appendix 4** shows the population and the fiscal 2015 real property tax rate for each municipality.
- **Appendix 5** shows the number of municipal residents in each county.
- **Appendix 6** shows local government expenditures in fiscal 2013 for counties and municipalities by expenditure category. County expenditures include the local school systems, library boards, health departments, and local community colleges.
- **Appendix 7** depicts local government expenditures for each county.
- **Appendix 8** shows county and municipal government expenditures for each county, exclusive of local board expenditures for education, library, and community colleges.

Summary of Findings

In Maryland, 18 of the 23 counties had property tax set-offs for municipalities in their jurisdictions in fiscal 2015. Of the 5 remaining counties, Baltimore and Howard counties have no municipalities, while Kent, Wicomico, and Worcester counties chose not to establish tax set-offs.

In fiscal 2015, tax differentials and rebates totaled \$101.6 million, a 0.05% increase compared to the prior year. Local funding for tax differentials and rebates in fiscal 2015 ranged from \$49,811 in St. Mary's County to \$26.8 million in Prince George's County. On a per capita basis, local funding ranged from less than \$1 in St. Mary's County to \$102 in Talbot County.

Seven counties (Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot, and Washington) provided tax rate differentials totaling \$39.0 million for the municipalities in their jurisdictions. Five counties (Carroll, Cecil, Montgomery, St. Mary's, and Somerset) returned to the municipalities rebates totaling \$11.5 million. Six counties (Dorchester, Frederick, Garrett, Harford, Prince George's, and Queen Anne's) provided both tax differentials and rebates to their municipalities. Prince George's County provided both tax rebates and tax rate differentials to its municipalities totaling \$26.8 million – as did Harford County, totaling \$10.1 million. Dorchester County provided tax rate differentials to Cambridge and Hurlock totaling \$373,354 and provided tax rebates to its other municipalities totaling \$6,050. Frederick County provided tax rate differentials to Frederick and Myersville totaling \$8.9 million and provided 10 other municipalities \$4.1 million of tax rebates. Garrett County had a tax rate differential totaling \$79,569 for Mountain Lake Park and provided \$267,000 in rebates to seven other municipalities. Queen Anne's County provided tax rate differentials to Centerville, Millington, and Sudlersville, totaling \$294,960, and provided five other municipalities \$87,903 of tax rebates. In 9 of the 18 counties providing tax set-offs in fiscal 2015, the tax set-off amount decreased relative to the amount provided in fiscal 2014. The set-off amount remained the same in Montgomery and Somerset counties and increased in Carroll, Charles, Frederick, Garrett, Harford, and Talbot counties. Kent County was the only county that provided a tax set-off in fiscal 2014 but did not also provide a tax set-off in fiscal 2015. Queen Anne's County did not provide tax set-offs in fiscal 2014 but began providing both tax rate differentials and rebates in fiscal 2015.

The City of Annapolis (Anne Arundel County) received the largest tax set-off amount in fiscal 2015. The county real property tax rate within the city was reduced by \$0.379 per \$100 of assessed value, resulting in a property tax revenue offset of \$24.0 million in fiscal 2015 or \$618 per city resident. The City of Bowie (Prince George's County) received the next largest tax set-off amount, with a property tax differential amount of \$8.8 million. For a majority of municipalities in Maryland, the per capita tax differential or rebate amount is under \$75 per municipal resident. In 26 municipalities (16.3%), the county government did not grant either a tax differential or tax rebate. In 10 municipalities (6.3%), the tax differential or rebate amount exceeded \$200 per municipal resident.

Exhibit 2
2015 Survey on County/Municipal Tax Differentials and Rebates

County	Municipalities	(1) Sec. 6-305	(2) Sec. 6-306	Tax Differential	Tax Rebate
Allegany	Y	Y	N	Y	N
Anne Arundel	Y	Y	N	Y	N
Baltimore City	N	N	N	N	N
Baltimore	N	Y	N	N	N
Calvert	Y	N	Y	Y	N
Caroline	Y	N	Y	Y	N
Carroll	Y	N	Y	N	Y
Cecil	Y	N	Y	N	Y
Charles	Y	N	Y	Y	N
Dorchester	Y	N	Y	Y	Y
Frederick	Y	Y	N	Y	Y
Garrett	Y	Y	N	Y	Y
Harford	Y	Y	N	Y	Y
Howard	N	Y	N	N	N
Kent	Y	N	Y	N	N
Montgomery	Y	Y	N	N	Y
Prince George's	Y	Y	N	Y	Y
Queen Anne's	Y	N	Y	Y	Y
St. Mary's	Y	N	Y	N	Y
Somerset	Y	N	Y	N	Y
Talbot	Y	N	Y	Y	N
Washington	Y	N	Y	Y	N
Wicomico	Y	N	Y	N	N
Worcester	Y	N	Y	N	N

Key: Y indicates yes; N indicates no.

Note: (1) Section 6-305 of the Tax-Property Article requires an annual meeting between county and municipality. Property tax differentials or rebates are mandated if a municipality provides a service in lieu of similar county services.

(2) Section 6-306 of the Tax-Property Article requires an annual meeting between county and municipality, but property tax differentials or rebates are optional.

Source: Department of Legislative Services

Exhibit 3
Tax Differentials and Tax Rebates
Fiscal 2015

County	Tax Differential	Tax Rebate	Total
Allegany	\$2,027,856	\$0	\$2,027,856
Anne Arundel	24,003,518	0	24,003,518
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,332,590	0	3,332,590
Caroline	461,691	0	461,691
Carroll	0	2,588,434	2,588,434
Cecil	0	750,330	750,330
Charles	1,169,333	0	1,169,333
Dorchester	373,354	6,050	379,404
Frederick	8,936,416	4,078,383	13,014,799
Garrett	79,569	267,000	346,569
Harford	6,663,225	3,482,861	10,146,086
Howard	N/A	N/A	N/A
Kent	0	0	0
Montgomery	0	7,776,718	7,776,718
Prince George's	26,192,372	651,147	26,843,519
Queen Anne's	294,960	87,903	382,863
St. Mary's	0	49,811	49,811
Somerset	0	315,000	315,000
Talbot	3,831,923	0	3,831,923
Washington	4,152,897	0	4,152,897
Wicomico	0	0	0
Worcester	0	0	0
Total	\$81,519,705	\$20,053,637	\$101,573,342

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 4
Per Capita Tax Differential and Rebate Amount
Distribution Among Municipalities
Fiscal 2015

<u>Per Capita Amount</u>	<u>Municipalities</u>	<u>Percent of Total</u>
Over 500	3	1.9%
200-499	7	4.4%
100-199	23	14.4%
75-99	10	6.3%
50-74	34	21.3%
25-49	41	25.6%
1-24	16	10.0%
0	26	16.3%
Total	160	100.0%

Note: Four municipalities are located in multiple counties and are counted twice in this exhibit.

Source: Department of Legislative Services

Exhibit 5
Tax Differentials and Tax Rebates – Per Capita Amounts
Largest Municipalities in Maryland
Fiscal 2015

Jurisdiction	Population July 2014	Total Amount	Per Capita Amount	Rank
Aberdeen	15,434	\$3,332,241	\$216	4
Annapolis	38,856	24,003,518	618	1
Bel Air	10,264	3,382,830	330	2
Bladensburg	9,583	523,888	55	18
Bowie	57,646	8,820,169	153	8
Cambridge	12,569	320,717	26	22
College Park	32,256	812,873	25	23
Cumberland	20,235	1,385,083	68	15
Easton	16,675	2,899,856	174	6
Elkton	15,852	351,685	22	24
Frederick	68,400	8,738,296	128	10
Frostburg	8,684	466,639	54	19
Gaithersburg	66,816	1,168,467	17	25
Greenbelt	24,125	2,953,026	122	11
Hagerstown	40,364	3,107,280	77	13
Havre de Grace	13,512	3,431,016	254	3
Hyattsville	18,420	2,740,950	149	9
La Plata	8,988	1,073,738	119	12
Laurel	26,160	4,425,366	169	7
Mt. Airy	9,388	650,593	69	14
Mt. Rainier	8,430	505,888	60	17
New Carrollton	12,708	842,606	66	16
Rockville	65,937	2,116,671	32	21
Salisbury	32,563	0	0	26
Takoma Park	17,670	3,513,643	199	5
Westminster	18,724	1,004,079	54	20

Source: Department of Legislative Services

Exhibit 6
Tax Differentials and Tax Rebates
Fiscal 2012-2014

County	Fiscal 2012			Fiscal 2013			Fiscal 2014		
	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total
Allegany	\$2,134,055	\$0	\$2,134,055	\$2,298,832	\$0	\$2,298,832	\$2,204,011	\$0	\$2,204,011
Anne Arundel	26,196,505	0	26,196,505	23,585,743	0	23,585,743	24,131,339	0	24,131,339
Baltimore City	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Calvert	3,306,182	0	3,306,182	3,314,448	0	3,314,448	3,368,991	0	3,368,991
Caroline	549,085	0	549,085	493,388	0	493,388	473,645	0	473,645
Carroll	0	2,378,303	2,378,303	0	2,452,047	2,452,047	0	2,520,690	2,520,690
Cecil	0	837,572	837,572	0	806,538	806,538	0	760,340	760,340
Charles	1,125,822	0	1,125,822	998,719	0	998,719	1,108,014	0	1,108,014
Dorchester	355,679	6,050	361,729	381,880	6,050	387,930	398,799	6,050	404,849
Frederick	0	7,402,079	7,402,079	8,017,458	3,732,735	11,750,193	8,542,062	4,011,173	12,553,235
Garrett	56,224	222,000	278,224	63,254	237,000	300,254	70,422	237,000	307,422
Harford	6,684,475	2,975,203	9,659,678	6,632,747	3,339,695	9,972,442	6,550,444	3,554,158	10,104,602
Howard	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kent	0	193,341	193,341	0	128,895	128,895	0	64,446	64,446
Montgomery	0	6,371,842	6,371,842	0	7,776,718	7,776,718	0	7,776,718	7,776,718
Prince George's	32,410,256	692,351	33,102,607	30,100,485	651,147	30,751,632	26,818,044	651,147	27,469,191
Queen Anne's	0	0	0	0	0	0	0	0	0
St. Mary's	0	52,230	52,230	0	49,615	49,615	0	50,471	50,471
Somerset	0	300,000	300,000	0	300,000	300,000	0	315,000	315,000
Talbot	3,865,485	0	3,865,485	3,834,414	0	3,834,414	3,588,941	0	3,588,941
Washington	4,355,015	0	4,355,015	4,353,758	0	4,353,758	4,320,810	0	4,320,810
Wicomico	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0
Total	\$81,038,783	\$21,430,971	\$102,469,754	\$84,075,126	\$19,480,440	\$103,555,565	\$81,575,522	\$19,947,193	\$101,522,715

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 7
Changes in Tax Differentials and Tax Rebates
Fiscal 2014 and 2015

County	FY 2014	FY 2015	Difference	% Difference
Allegany	\$2,204,011	\$2,027,856	(\$176,155)	-8.0%
Anne Arundel	24,131,339	24,003,518	(127,821)	-0.5%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	3,368,991	3,332,590	(36,401)	-1.1%
Caroline	473,645	461,691	(11,954)	-2.5%
Carroll	2,520,690	2,588,434	67,744	2.7%
Cecil	760,340	750,330	(10,010)	-1.3%
Charles	1,108,014	1,169,333	61,319	5.5%
Dorchester	404,849	379,404	(25,445)	-6.3%
Frederick	12,553,235	13,014,799	461,564	3.7%
Garrett	307,422	346,569	39,147	12.7%
Harford	10,104,602	10,146,086	41,485	0.4%
Howard	N/A	N/A	N/A	N/A
Kent	64,446	0	(64,446)	-100.0%
Montgomery	7,776,718	7,776,718	0	0.0%
Prince George's	27,469,191	26,843,519	(625,671)	-2.3%
Queen Anne's	0	382,863	382,863	
St. Mary's	50,471	49,811	(660)	-1.3%
Somerset	315,000	315,000	0	0.0%
Talbot	3,588,941	3,831,923	242,982	6.8%
Washington	4,320,810	4,152,897	(167,913)	-3.9%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
Total	\$101,522,715	\$101,573,342	\$50,628	0.0%

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 8
Changes in Tax Differentials and Tax Rebates
Over a 10-year Period

County	FY 2005	FY 2015	Difference	% Difference
Allegany	\$854,776	\$2,027,856	\$1,173,080	137.2%
Anne Arundel	14,989,779	24,003,518	9,013,739	60.1%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	1,646,325	3,332,590	1,686,265	102.4%
Caroline	523,143	461,691	(61,452)	-11.7%
Carroll	1,784,749	2,588,434	803,685	45.0%
Cecil	449,346	750,330	300,984	67.0%
Charles	551,531	1,169,333	617,802	112.0%
Dorchester	69,000	379,404	310,404	449.9%
Frederick	4,798,018	13,014,799	8,216,781	171.3%
Garrett	123,021	346,569	223,548	181.7%
Harford	5,033,790	10,146,086	5,112,296	101.6%
Howard	N/A	N/A	N/A	N/A
Kent	113,071	0	(113,071)	-100.0%
Montgomery	6,017,711	7,776,718	1,759,007	29.2%
Prince George's	12,291,018	26,843,519	14,552,501	118.4%
Queen Anne's	0	382,863	382,863	
St. Mary's	48,936	49,811	875	1.8%
Somerset	0	315,000	315,000	
Talbot	1,390,022	3,831,923	2,441,901	175.7%
Washington	1,269,622	4,152,897	2,883,275	227.1%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
Total	\$51,953,858	\$101,573,342	\$49,619,484	95.5%

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 9
County Assessable Base for Municipalities with a Tax Rate Differential
Fiscal 2015

	<u>Real</u> <u>Property Base</u>	<u>Personal</u> <u>Property Base</u>	<u>Total</u> <u>Assessable Base</u>
Allegany County			
Barton	\$12,013,199	\$840,530	\$12,853,729
Cumberland	879,940,930	80,900,770	960,841,700
Frostburg	336,021,354	20,348,310	356,369,664
Lonaconing	25,124,739	3,916,700	29,041,439
Luke	45,928,070	3,453,270	49,381,340
Midland	11,800,448	662,220	12,462,668
Westernport	53,097,112	3,163,530	56,260,642
Anne Arundel County			
Annapolis	5,889,952,756	177,465,350	6,067,418,106
Calvert County			
Chesapeake Beach	746,746,572	3,338,210	750,084,782
North Beach	233,698,702	1,220,610	234,919,312
Caroline County			
Denton	337,023,485	11,609,400	348,632,885
Federalsburg	168,787,950	39,341,980	208,129,930
Goldsboro	11,601,500	399,930	12,001,430
Greensboro	98,915,817	3,336,770	102,252,587
Henderson	4,164,300	127,200	4,291,500
Hillsboro	10,852,562	186,430	11,038,992
Marydel	6,627,500	745,600	7,373,100
Preston	60,134,400	6,218,630	66,353,030
Ridgely	106,559,018	9,737,660	116,296,678
Templeville	1,216,867	26,370	1,243,237
Charles County			
Indian Head	233,158,606	3,354,190	236,512,796
La Plata	1,130,250,349	32,544,690	1,162,795,039
Port Tobacco	2,350,900	19,970	2,370,870
Dorchester County			
Cambridge	728,901,149	61,255,770	790,156,919
Hurlock	110,816,086	60,135,470	170,951,556
Frederick County			
Frederick	\$6,680,654,220	\$190,465,350	\$6,871,119,570
Myersville	151,236,850	2,026,010	153,262,860
Garrett County			
Mountain Lake Park	106,126,969	5,411,920	111,538,889

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Harford County			
Aberdeen	1,323,903,630	64,844,750	1,388,748,380
Bel Air	1,323,960,834	77,161,900	1,401,122,734
Havre de Grace	1,411,421,569	31,531,000	1,442,952,569
Prince George's County			
Berwyn Heights	255,871,611	22,989,580	278,861,191
Bladensburg	377,769,010	33,801,800	411,570,810
Bowie	6,222,909,373	194,801,900	6,417,711,273
Brentwood	191,563,653	5,486,580	197,050,233
Capitol Heights	237,714,810	14,161,100	251,875,910
Cheverly	509,476,030	31,400,520	540,876,550
College Park	2,100,066,401	112,232,460	2,212,298,861
Colmar Manor	70,196,000	4,192,030	74,388,030
Cottage City	76,390,630	5,590,510	81,981,140
District Heights	291,438,850	6,583,250	298,022,100
Eagle Harbor	6,928,101	30,880	6,958,981
Edmonston	142,543,668	19,962,630	162,506,298
Fairmount Heights	83,924,925	1,608,320	85,533,245
Forest Heights	156,589,933	3,222,660	159,812,593
Glenarden	341,891,507	27,587,650	369,479,157
Greenbelt	1,828,754,989	95,486,260	1,924,241,249
Hyattsville	1,723,327,182	105,368,180	1,828,695,362
Landover Hills	118,228,400	2,715,320	120,943,720
Laurel	2,477,182,264	77,779,400	2,554,961,664
Morningside	76,071,675	4,570,410	80,642,085
Mount Rainier	343,484,265	6,411,970	349,896,235
New Carrollton	632,778,642	30,617,820	663,396,462
North Brentwood	41,011,189	3,391,730	44,402,919
Riverdale Park	621,635,235	22,899,810	644,535,045
Seat Pleasant	240,961,300	11,163,040	252,124,340
University Park	327,041,494	2,614,900	329,656,394
Upper Marlboro	82,804,025	25,159,530	107,963,555
Queen Anne's County			
Centreville	494,549,513	5,064,180	499,613,693
Millington	39,148,700	27,960	39,176,660
Sudlersville	35,130,734	3,533,630	38,664,364
Talbot County			
Easton	\$2,032,055,269	\$65,922,240	\$2,097,977,509
Oxford	359,876,250	914,060	360,790,310
Queen Anne	7,909,667	86,970	7,996,637
St. Michaels	281,813,861	15,712,000	297,525,861
Trappe	85,781,500	5,106,520	90,888,020

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Washington County			
Boonsboro	272,755,934	7,454,320	280,210,254
Clear Spring	20,626,060	2,081,510	22,707,570
Funkstown	46,903,867	2,653,690	49,557,557
Hagerstown	2,485,824,099	115,985,270	2,601,809,369
Hancock	92,767,600	11,046,720	103,814,320
Keedysville	81,676,300	2,060,370	83,736,670
Sharpsburg	40,253,900	1,293,230	41,547,130
Smithsburg	174,243,791	7,281,290	181,525,081
Williamsport	107,265,950	8,689,310	115,955,260

Source: State Department of Assessments and Taxation

Tax Differentials/Tax Rebates by County

Allegany County

During fiscal 2015, Allegany County provided a tax rate differential to all of its seven municipalities for performing governmental services in areas including planning and zoning, police protection, public works, highway construction and maintenance, the Upper Potomac River Commission, solid waste disposal, and emergency medical services. The rates are determined by calculating the net property tax support of each area of service and dividing it by the amount of revenue generated by \$1 of property tax levy. The estimated value of the tax differentials in fiscal 2015 is approximately \$2.0 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Barton	\$0.0814	\$0.2200	\$11,628
Cumberland	0.1260	0.3416	1,385,083
Frostburg	0.1193	0.3232	466,639
Lonaconing	0.1029	0.2788	36,773
Luke	0.1055	0.2862	58,337
Midland	0.0814	0.2200	11,062
Westernport	0.0943	0.2612	58,334
Total			\$2,027,856

Anne Arundel County

Anne Arundel County set a tax rate differential of \$0.379 for real property and \$0.947 for personal property for the City of Annapolis in fiscal 2015 for providing a variety of services that the county performs outside the city limits, including police protection, fire, public works, planning and zoning, and parks and recreation. The estimated value of the tax differential in fiscal 2015 is \$24.0 million. Highland Beach, the other incorporated municipality in Anne Arundel County, did not receive a tax differential because such services are not performed by the municipality. In calculating the tax rate differential, several steps were involved. First, county spending was allocated into countywide (*e.g.*, education) and noncity (*e.g.*, police) categories. Second, all county revenues, except property taxes, are allocated to offset the cost of either countywide or noncity services. Third, costs that are offset are used to calculate countywide and noncity property tax rates. Finally, this noncity property tax rate serves as the Annapolis tax rate differential.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Annapolis	\$0.3790	\$0.9470	\$24,003,518

Baltimore County

There are no incorporated municipalities solely within Baltimore County; however, a small part of Hampstead is located in the county.

Calvert County

Calvert County provided a tax rate differential for its two municipalities for public safety, public works, parks and recreation, and economic development. In fiscal 2015, these tax differentials totaled approximately \$3.3 million. The county periodically assesses the reasonableness of the differential by calculating the net cost to the municipalities of providing duplicative public services and what the net cost to the county would be to provide the same services for the municipality. These costs are used with property assessment data to calculate a range within which the tax rate differential should fall. If the differential falls within the range, the county advises that the differentials remain unchanged.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Chesapeake Beach	\$0.3360	\$0.8400	\$2,537,109
North Beach	0.3360	0.8400	795,481
Total			\$3,332,590

Caroline County

Caroline County provides tax rate differentials to municipalities with police protection. The differential rate is based on a formula of county police coverage. In fiscal 2015, Caroline County provided tax differentials totaling approximately \$0.5 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Denton	\$0.06	\$202,214
Federalsburg	0.07	118,152
Goldsboro	0.00	0
Greensboro	0.06	59,349
Henderson	0.00	0
Hillsboro	0.00	0
Marydel	0.00	0
Preston	0.03	18,040
Ridgely	0.06	63,935
Templeville	0.00	0
Total		\$461,691

Carroll County

Carroll County provided its eight municipalities with tax rebates totaling \$2.6 million in fiscal 2015 in accordance with a longstanding agreement between the county and the municipalities. Funding is allocated to each municipality based in part on assessable base, inflation, and population. The tax rebates were distributed as follows:

<u>Municipality</u>	<u>Rebate Amount</u>
Hampstead	\$325,362
Manchester	276,539
Mount Airy	191,434
New Windsor	71,088
Sykesville	264,415
Taneytown	392,835
Union Bridge	62,682
Westminster	1,004,079
Total	\$2,588,434

Cecil County

Cecil County returned to its eight municipalities a general rebate equivalent to \$0.028 per \$100 of assessed property values for police protection and street lighting. In addition, the county made rebate payments to its municipalities totaling \$90,389 to offset the cost of refuse and garbage collection. The trash rebate is based on the average tons per capita of refuse deposited in the county landfill (\$5.25 per ton \times 0.75 tons per capita \times population). The total rebate amount that municipalities in Cecil County received in fiscal 2015 was \$750,330. The amounts were distributed as follows:

<u>Municipality</u>	<u>General Rebate</u>	<u>Trash Rebate</u>	<u>Total Rebate</u>
Cecilton	\$13,034	\$1,866	\$14,901
Charlestown	35,626	4,012	39,638
Chesapeake City	23,586	3,099	26,685
Elkton	304,856	46,829	351,685
North East	83,684	10,761	94,445
Perryville	129,057	14,459	143,516
Port Deposit	16,982	2,662	19,644
Rising Sun	53,116	6,702	59,817
Total	\$659,941	\$90,389	\$750,330

Charles County

Charles County provided a real property tax rate differential to La Plata and Indian Head in fiscal 2015 totaling \$1.2 million for performing government services in the areas of planning and growth management, police services, parks, and public works. The rate is determined by calculating the expenditures funded by property taxes for parallel services provided by the municipality and dividing this amount by the municipality's assessable base. The Town of Port Tobacco received neither a tax differential nor a tax rebate as the town did not perform any services in lieu of those performed by the county.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Indian Head	0.0410	\$95,595
La Plata	0.0950	1,073,738
Total		\$1,169,333

Dorchester County

In fiscal 2015, two of Dorchester County's nine municipalities, Cambridge and Hurlock, received tax rate differentials totaling \$373,354. The county's other municipalities received tax rebates totaling \$6,050. The tax differentials are provided to compensate the municipalities for providing duplicative services including police and planning and zoning. The tax rate differentials were calculated by multiplying the net cost to the county of providing the services by the percentage of those costs funded by real property taxes and the percentage of the county's assessable property base located in each municipality. The tax rebate amounts are based on historical funding levels established by the county government.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Rebate Amount</u>	<u>Total</u>
Brookview	\$0.0000	\$0	\$450	\$450
Cambridge	0.0440	320,717	0	320,717
Church Creek	0.0000	0	425	425
East New Market	0.0000	0	1,350	1,350
Eldorado	0.0000	0	425	425
Galestown	0.0000	0	700	700
Hurlock	0.0475	52,638	0	52,638
Secretary	0.0000	0	1,350	1,350
Vienna	0.0000	0	1,350	1,350
Total		\$373,354	\$6,050	\$379,404

Frederick County

Frederick County provided a real property tax rate differential to Frederick and Myersville totaling \$8.9 million in fiscal 2015. Frederick County provided tax rebates totaling \$4.1 million in fiscal 2015 to the other 10 municipalities for highways, police protection, planning and zoning, and parks and recreation. The tax rebates were determined by calculating a certain factor (called a CAP factor), which is based on the municipalities' total taxable income, assessable base, and population compared to the county's total taxable income, assessable base, and population. The net expenditures for each of the duplicative services were then calculated. For police protection and planning and zoning, the net expenditures for duplicative services were used to calculate the cost of these services per capita for the municipality; however, for highways, cost per mile was used, and for parks and recreation, cost per acre of parkland was used. The county then compared the per capita (or per mile or acre) calculation to the net cost of the service multiplied by the CAP factor. The lesser of the two calculations was the total amount to be distributed among the municipalities, based on each municipality's population. The tax rate differentials are calculated in a similar manner. The total tax set-off amounts in fiscal 2015 were as follows:

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Rebate Amount</u>	<u>Total</u>
Brunswick	\$0.0000	\$0	\$866,657	\$866,657
Burkittsville	0.0000	0	23,900	23,900
Emmitsburg	0.0000	0	371,666	371,666
Frederick	0.1308	8,738,296	0	8,738,296
Middletown	0.0000	0	581,111	581,111
Mount Airy	0.0000	0	459,159	459,159
Myersville	0.1310	198,120	0	198,120
New Market	0.0000	0	87,803	87,803
Rosemont	0.0000	0	10,166	10,166
Thurmont	0.0000	0	857,311	857,311
Walkersville	0.0000	0	723,189	723,189
Woodsboro	0.0000	0	97,421	97,421
Total		\$8,936,416	\$4,078,383	\$13,014,799

Garrett County

In fiscal 2015, Garrett County provided a tax rate differential to Mountain Lake Park. The tax differential was granted for highway and street expenditures by the municipality. The real property tax rate differential for Mountain Lake Park is equal to the municipal property tax rate multiplied by the assessable base of each Garrett County government entity located within Mountain Lake Park that the county has authority over and/or for which the county provides funding. Additionally, there is a utility property tax rate differential of \$0.1662 in Mountain Lake Park. The total value of the tax differentials for Mountain Lake Park was \$79,569. Garrett County

also provided tax rebates to all its other municipalities. Oakland received a rebate of \$147,000 for road paving projects and police protection, and the other municipalities received lesser rebates for their expenditures on town roads. The rebates for all the municipalities totaled \$267,000.

<u>Municipality</u>	Real Property Tax Rate Differential	Personal Property Tax Rate Differential	Differential Amount	Tax Rebate	Total
Accident	\$0.0000	\$0.0000	\$0	\$20,000	\$20,000
Deer Park	0.0000	0.0000	0	20,000	20,000
Friendsville	0.0000	0.0000	0	20,000	20,000
Grantsville	0.0000	0.0000	0	20,000	20,000
Kitzmillier	0.0000	0.0000	0	20,000	20,000
Loch Lynn Heights	0.0000	0.0000	0	20,000	20,000
Mountain Lake Park	0.0665	0.1662	79,569	0	79,569
Oakland	0.0000	0.0000	0	147,000	147,000
Total			\$79,569	\$267,000	\$346,569

Harford County

Harford County provided a tax differential for its three municipalities for services performed in the area of road maintenance. The estimated value of the Harford County tax rate differentials totaled \$6.7 million in fiscal 2015. The county also provided approximately \$3.5 million in tax rebates to its municipalities for police services. The tax rebates are determined by calculating the cost of operating the Criminal Patrol Division of the County Sheriff's Department funded by county property taxes and then multiplying that figure by the ratio of each municipality's assessable tax base to the countywide assessable tax base.

<u>Municipality</u>	Real Property Tax Rate Differential	Personal Property Tax Rate Differential	Differential Amount	Tax Rebate	Total
Aberdeen	\$0.1483	\$0.3707	\$2,203,729	\$1,128,512	\$3,332,241
Bel Air	0.1483	0.3707	2,249,473	1,133,357	3,382,830
Havre de Grace	0.1483	0.3707	2,210,024	1,220,992	3,431,016
Total			\$6,663,225	\$3,482,861	\$10,146,086

Howard County

There are no incorporated municipalities in Howard County.

Kent County

In fiscal 2015, Kent County stopped providing a tax rebate to its five municipalities. The county provided a tax rebate to its municipalities from fiscal 2004 through 2014; prior to fiscal 2004, the county provided its municipal residents with a tax rate differential.

Montgomery County

Montgomery County provided tax rebates totaling \$7.8 million to 17 municipalities and 3 special taxing districts in fiscal 2015. Barnesville and Chevy Chase, Section 5, were the only municipalities that did not receive a tax rebate in fiscal 2015. The tax rebates are based on the county council's appropriation. The rebates have been frozen due to fiscal constraints.

<u>Municipality</u>	<u>Rebate Amount</u>
Barnesville	\$0
Brookeville	6,794
Chevy Chase, Sec. 3	30,796
Chevy Chase, Sec. 5	0
Chevy Chase View	41,275
Chevy Chase Village	100,524
Chevy Chase	130,297
Drummond*	4,613
Friendship Heights*	82,625
Gaithersburg	1,168,467
Garrett Park	47,593
Glen Echo	20,762
Kensington	137,523
Laytonsville	12,991
Martin's Additions	26,832
North Chevy Chase	23,918
Oakmont*	3,278
Poolesville	210,634
Rockville	2,116,671
Somerset	52,560
Takoma Park	3,513,643
Washington Grove	44,922
Total	\$7,776,718

*Denotes a special taxing district.

Prince George's County

In fiscal 2015, Prince George's County provided its 27 municipalities with tax differentials valued at an estimated \$26.2 million and tax rebates totaling \$0.7 million. County law requires the cost for each service for each municipality identified in the prior year county budget to be assigned a tax rate equivalency value after adjustments are made to offset revenue directly allocated to a specific service. The aggregate municipal requests for "in lieu of" service credit, as certified by the county, are translated into a dollar value. This dollar value is calculated by totaling the products of the tax rate equivalent cost of the service multiplied by each municipality's assessable base. Each of these net service values is then reduced to reflect the portion of each county service paid for by the property tax levy. The sum of the tax rate values of the duplicative services constitutes the calculated tax rate differential for each municipality. The county uses a three-year rolling average in applying the calculated tax differentials to provide stability to municipal residents' county tax rates in the event of rate changes due to county services reorganization, economic fluctuations, or other factors. The county also provides tax rebates for solid waste collection and code enforcement.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
Berwyn Heights	\$0.1270	\$0.2940	\$392,546	\$8,231	\$400,777
Bladensburg	0.1100	0.2540	501,402	22,486	523,888
Bowie	0.1300	0.2980	8,670,292	149,877	8,820,169
Brentwood	0.0820	0.1880	167,397	8,379	175,776
Capitol Heights	0.1200	0.2760	324,342	10,723	335,065
Cheverly	0.1220	0.2800	709,482	18,839	728,321
College Park	0.0310	0.0700	729,583	83,290	812,873
Colmar Manor	0.0990	0.2280	79,052	3,483	82,535
Cottage City	0.1090	0.2510	97,298	3,446	100,744
District Heights	0.1250	0.2870	383,192	20,607	403,799
Eagle Harbor	0.0040	0.0090	280	153	433
Edmonston	0.1120	0.2570	210,953	3,498	214,451
Fairmount Heights	0.0590	0.1370	51,719	3,908	55,627
Forest Heights	0.0920	0.2120	150,895	7,997	158,892
Glenarden	0.1090	0.2510	441,907	16,371	458,278
Greenbelt	0.1410	0.3250	2,888,875	64,151	2,953,026
Hyattsville	0.1370	0.3150	2,692,868	48,082	2,740,950
Landover Hills	0.1220	0.2810	151,869	5,644	157,513
Laurel	0.1640	0.3780	4,356,585	68,781	4,425,366
Morningside	0.0780	0.1800	67,563	5,518	73,081
Mount Rainier	0.1350	0.3120	483,709	22,179	505,888

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
New Carrollton	0.1150	0.2660	809,139	33,467	842,606
North Brentwood	0.0040	0.0090	1,946	1,428	3,374
Riverdale Park	0.1380	0.3180	930,678	17,335	948,013
Seat Pleasant	0.1280	0.2950	341,361	14,943	356,304
University Park	0.1260	0.2910	419,682	6,254	425,936
Upper Marlboro	0.0980	0.2250	137,757	2,077	139,834
Total			\$26,192,372	\$651,147	\$26,843,519

Queen Anne's County

In fiscal 2015, three of Queen Anne's County's eight municipalities, Centreville, Millington, and Sudlersville, received tax rate differentials totaling \$294,960. The other five municipalities received tax rebates totaling \$87,903. The tax differentials are provided to compensate the municipalities for providing duplicative services including police, planning and zoning, and roads. Both the tax rate differentials and the tax rebates were calculated by determining a tax rate for each government service or function in the county and then determining, in conjunction with the municipality, what level of service they provide in lieu of county services. That level of service equates to a county rate which, along with the assessable base, is then used to calculate the amount of a tax differential. For the tax rebates, the tax rate, based on the municipal assessable base, represents the amount of rebate for that municipality.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
Barclay	\$0.0000	\$0	\$7,373	\$7,373
Centreville	0.0541	267,551	0	267,551
Church Hill	0.0000	0	21,605	21,605
Millington	0.0369	14,446	0	14,446
Queen Anne	0.0000	0	3,363	3,363
Queenstown	0.0000	0	54,612	54,612
Sudlersville	0.0369	12,963	0	12,963
Templeville	0.0000	0	950	950
Total		\$294,960	\$87,903	\$382,863

St. Mary's County

St. Mary's County provided a tax rebate in the amount of \$49,811 to the Town of Leonardtown in fiscal 2015 to offset taxes for duplicative services such as planning and zoning, road maintenance, and public works. The rebate is based on the total assessed value of county-owned property within the municipality's corporate limits multiplied by an equitable tax rate on those properties.

<u>Municipality</u>	<u>Rebate Amount</u>
Leonardtown	\$49,811

Somerset County

Somerset County provided tax rebates in fiscal 2015 to Crisfield and Princess Anne in the amount of \$315,000 to help fund the cost of several paramedics used by the local ambulance companies. In Princess Anne, payments are made directly to the Princess Anne Fire Department.

<u>Municipality</u>	<u>Rebate Amount</u>
Crisfield	\$157,500
Princess Anne	157,500
Total	\$315,000

Talbot County

In fiscal 2015, Talbot County provided tax rate differentials totaling \$3.8 million to its five municipalities for performing governmental services in the areas of planning and zoning, police protection, building code enforcement, and parks and recreation. The county established real property tax rate differentials based on a "county cost for parallel services" formula up until fiscal 2000, when, in addition to the formula, additional annual adjustments were made. In recent years, the adjusted tax differential has been more than the tax differential calculated under the parallel services formula. The county also provides a tax rate differential for utility property located in the municipalities.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Utility Tax Rate Differential</u>	<u>Differential Amount</u>
Easton	\$0.1320	\$0.3300	\$2,899,856
Oxford	0.1170	0.2925	423,729
Queen Anne	0.0610	0.1525	4,958
St. Michaels	0.1270	0.3175	407,789
Trappe	0.0970	0.2425	95,591
Total			\$3,831,923

Washington County

For fiscal 2015, Washington County provided tax differentials to its nine municipalities for providing services such as police protection, public works, planning and zoning, and parks. Prior to fiscal 2011, the county provided tax rebates to its municipalities for providing these services. The tax differential is determined by calculating the portion of the county property tax rate that is used to fund services throughout the entire county, including in municipalities, and the portion of the county property tax rate that is used to fund services only in areas outside of municipalities. The latter tax rate is the amount of the tax differential for the municipalities. The fiscal 2015 tax differentials totaled approximately \$4.2 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Boonsboro	\$0.125	\$340,945
Clear Spring	0.125	25,783
Funkstown	0.125	58,630
Hagerstown	0.125	3,107,280
Hancock	0.125	115,960
Keedysville	0.125	102,095
Sharpsburg	0.125	50,317
Smithsburg	0.125	217,805
Williamsport	0.125	134,082
Total		\$4,152,897

Wicomico County

Wicomico County did not provide tax set-offs to its municipalities in fiscal 2015.

Worcester County

Worcester County did not provide tax set-offs to its municipalities in fiscal 2015.

Appendices

Appendix 1. Incorporated Cities and Towns in Maryland

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Allegany			Cecil		
Barton	1900	Ch. 729	Cecilton	1864	Ch. 353
Cumberland	1815	Ch. 136	Charlestown	1786	Ch. 20
Frostburg	1839	Ch. 179	Chesapeake City	1849	Ch. 271
Lonaconing	1890	Ch. 132	Elkton	1821	Ch. 143
Luke	1922	Ch. 73	North East	1849	Ch. 339
Midland	1900	Ch. 681	Perryville	1882	Ch. 212
Westernport	1858	Ch. 54	Port Deposit	1824	Ch. 33
			Rising Sun	1860	Ch. 383
Anne Arundel			Charles		
Annapolis	1708	Ch. 7	Indian Head	1920	Ch. 590
Highland Beach	1922	Ch. 213	La Plata	1888	Ch. 325
			Port Tobacco	1888	Ch. 297
Baltimore			Dorchester		
None			Brookview	1953	Ch. 704
Calvert			Cambridge	1793	Ch. 66
Chesapeake Beach	1886	Ch. 203	Church Creek	1867	Ch. 53
North Beach	1910	Ch. 395	East New Market	1832	Ch. 167
Caroline			Eldorado	1947	Ch. 313
Denton	1802	Ch. 25	Galestown	1951	Ch. 92
Federalsburg	1823	Ch. 174	Hurlock	1892	Ch. 249
Goldsboro	1906	Ch. 87	Secretary	1900	Ch. 555
Greensboro	1826	Ch. 97	Vienna	1833	Ch. 216
Henderson	1949	Ch. 498			
Hillsboro	1853	Ch. 161	Frederick		
Marydel	1929	Ch. 38	Brunswick	1890	Ch. 577
Preston	1892	Ch. 689	Burkittsville	1894	Ch. 652
Ridgely	1896	Ch. 178	Emmitsburg	1824	Ch. 29
Templeville (also in Queen Anne's)	1865	Ch. 86	Frederick	1816	Ch. 74
			Middletown	1833	Ch. 143
Carroll			Mount Airy	1894	Ch. 91
Hampstead	1888	Ch. 295	(also in Carroll)		
Manchester	1833	Ch. 193	Myersville	1904	Ch. 94
Mount Airy	1894	Ch. 91	New Market	1878	Ch. 90
(also in Frederick)			Rosemont	1953	Ch. 262
New Windsor	1843	Ch. 47	Thurmont	1894	Ch. 16
Sykesville	1904	Ch. 256	Walkersville	1892	Ch. 351
Taneytown	1836	Ch. 309	Woodsboro	1836	Ch. 299
Union Bridge	1872	Ch. 174			
Westminster	1818	Ch. 128			

Appendix 1 (continued)

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Garrett			Prince George's		
Accident	1916	Ch. 514	Berwyn Heights	1896	Ch. 267
Deer Park	1884	Ch. 519	Bladensburg	1854	Ch. 137
Friendsville	1902	Ch. 477	Bowie	1882	Ch. 488
Grantsville	1864	Ch. 99	Brentwood	1912	Ch. 401
Kitzmillier	1906	Ch. 285	Capitol Heights	1910	Ch. 513
Loch Lynn Heights	1896	Ch. 450	Cheverly	1931	Ch. 200
Mountain Lake Park	1931	Ch. 507	College Park	1945	Ch. 1051
Oakland	1862	Ch. 250	Colmar Manor	1927	Ch. 178
			Cottage City	1924	Ch. 390
Harford			District Heights	1936	Ch. 61
Aberdeen	1892	Ch. 136	Eagle Harbor	1929	Ch. 397
Bel Air	1874	Ch. 273	Edmonston	1924	Ch. 154
Havre de Grace	1785	Ch. 55	Fairmount Heights	1935	Ch. 199
			Forest Heights	1949	Ch. 142
Howard			Glenarden	1939	Ch. 650
None			Greenbelt	1937	Ch. 532
			Hyattsville	1886	Ch. 424
Kent			Landover Hills	1945	Ch. 465
Betterton	1906	Ch. 227	Laurel	1870	Ch. 260
Chestertown	1805	Ch. 101	Morningside	1949	Ch. 589
Galena	1858	Ch. 373	Mount Rainier	1910	Ch. 514
Millington (also in Queen Anne's)	1890	Ch. 386	New Carrollton	1953	Ch. 441
Rock Hall	1908	Ch. 171	North Brentwood	1924	Ch. 508
			Riverdale Park	1920	Ch. 731
Montgomery			Seat Pleasant	1931	Ch. 197
Barnesville	1888	Ch. 254	University Park	1936	Ch. 132
Brookeville	1808	Ch. 90	Upper Marlboro	1870	Ch. 363
Chevy Chase	1918	Ch. 177			
Chevy Chase, Sec. 3	1982	Referendum	Queen Anne's		
Chevy Chase, Sec. 5	1982	Referendum	Barclay	1931	Ch. 483
Chevy Chase View	1993	Referendum	Centreville	1794	Ch. 23
Chevy Chase Village	1910	Ch. 382	Church Hill	1876	Ch. 201
Gaithersburg	1878	Ch. 397	Millington	1890	Ch. 386
Garrett Park	1898	Ch. 453	(also in Kent)		
Glen Echo	1904	Ch. 436	Queen Anne	1953	Ch. 17
Kensington	1894	Ch. 621	(also in Talbot)		
Laytonsville	1892	Ch. 497	Queenstown	1892	Ch. 542
Martin's Additions	1985	Referendum	Sudlersville	1870	Ch. 313
North Chevy Chase	1996	Referendum	Templeville	1865	Ch. 86
Poolesville	1867	Ch. 174	(also in Caroline)		
Rockville	1860	Ch. 373			
Somerset	1906	Ch. 795	St. Mary's		
Takoma Park	1890	Ch. 480	Leonardtwn	1858	Ch. 73
Washington Grove	1937	Ch. 372			

Appendix 1 (continued)

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Somerset			Wicomico		
Crisfield	1872	Ch. 151	Delmar	1888	Ch. 167
Princess Anne	1867	Ch. 183	Fruitland	1947	Ch. 662
			Hebron	1931	Ch. 90
Talbot			Mardela Springs	1906	Ch. 325
Easton	1790	Ch. 14	Pittsville	1906	Ch. 499
Oxford	1852	Ch. 367	Salisbury	1854	Ch. 287
Queen Anne (also in Queen Anne's)	1953	Ch. 17	Sharptown	1874	Ch. 465
St. Michaels	1804	Ch. 82	Willards	1906	Ch. 195
Trappe	1827	Ch. 103	Worcester		
Washington			Berlin	1868	Ch. 424
Boonsboro	1831	Ch. 139	Ocean City	1880	Ch. 209
Clear Spring	1836	Ch. 141	Pocomoke City	1878	Ch. 253
Funkstown	1840	Ch. 78	Snow Hill	1812	Ch. 72
Hagerstown	1813	Ch. 121			
Hancock	1853	Ch. 319			
Keedysville	1872	Ch. 251			
Sharpsburg	1832	Ch. 28			
Smithsburg	1841	Ch. 284			
Williamsport	1823	Ch. 125			

Source: Maryland State Archives; Department of Legislative Services

Appendix 2. Tax Differentials and Rebates on a Per Capita Basis
Fiscal 2015

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>Tax</u> <u>Differential</u>	<u>Tax</u> <u>Rebate</u>	<u>Total</u> <u>Amount</u>	<u>Per Capita</u> <u>Amount</u>
Allegany					
Barton	437	\$11,628	\$0	\$11,628	\$27
Cumberland	20,235	1,385,083	0	1,385,083	68
Frostburg	8,684	466,639	0	466,639	54
Lonaconing	1,151	36,773	0	36,773	32
Luke	64	58,337	0	58,337	912
Midland	432	11,062	0	11,062	26
Westernport	1,821	58,334	0	58,334	32
Anne Arundel					
Annapolis	38,856	\$24,003,518	\$0	\$24,003,518	\$618
Highland Beach	100	0	0	0	0
Baltimore City					
	622,793	\$0	\$0	\$0	\$0
Baltimore					
	826,925	\$0	\$0	\$0	\$0
Calvert					
Chesapeake Beach	5,874	\$2,537,109	\$0	\$2,537,109	\$432
North Beach	2,015	795,481	0	795,481	395
Caroline					
Denton	4,344	\$202,214	\$0	\$202,214	\$47
Federalsburg	2,667	118,152	0	118,152	44
Goldsboro	241	0	0	0	0
Greensboro	1,859	59,349	0	59,349	32
Henderson	143	0	0	0	0
Hillsboro	158	0	0	0	0
Marydel	134	0	0	0	0
Preston	690	18,040	0	18,040	26
Ridgely	1,616	63,935	0	63,935	40
Templeville*	28	0	0	0	0

Appendix 2 (continued)

<u>Jurisdiction</u>	<u>Population July 2014</u>	<u>Tax Differential</u>	<u>Tax Rebate</u>	<u>Total Amount</u>	<u>Per Capita Amount</u>
Carroll					
Hampstead*	6,363	\$0	\$325,362	\$325,362	\$51
Manchester	4,821	0	276,539	276,539	57
Mount Airy*	5,527	0	191,434	191,434	35
New Windsor	1,402	0	71,088	71,088	51
Sykesville	4,432	0	264,415	264,415	60
Taneytown	6,752	0	392,835	392,835	58
Union Bridge	974	0	62,682	62,682	64
Westminster	18,724	0	1,004,079	1,004,079	54
Cecil					
Cecilton	672	\$0	\$14,901	\$14,901	\$22
Charlestown	1,197	0	39,638	39,638	33
Chesapeake City	690	0	26,684	26,684	39
Elkton	15,852	0	351,685	351,685	22
North East	3,715	0	94,445	94,445	25
Perryville	4,429	0	143,516	143,516	32
Port Deposit	659	0	19,644	19,644	30
Rising Sun	2,877	0	59,817	59,817	21
Charles					
Indian Head	3,873	\$95,595	\$0	\$95,595	\$25
La Plata	8,988	1,073,738	0	1,073,738	119
Port Tobacco	13	0	0	0	0
Dorchester					
Brookview	59	\$0	\$450	\$450	\$8
Cambridge	12,569	320,717	0	320,717	26
Church Creek	124	0	425	425	3
East New Market	394	0	1,350	1,350	3
Eldorado	58	0	425	425	7
Galestown	137	0	700	700	5
Hurlock	2,057	52,638	0	52,638	26
Secretary	532	0	1,350	1,350	3
Vienna	277	0	1,350	1,350	5

Appendix 2 (continued)

<u>Jurisdiction</u>	<u>Population July 2014</u>	<u>Tax Differential</u>	<u>Tax Rebate</u>	<u>Total Amount</u>	<u>Per Capita Amount</u>
Frederick					
Brunswick	6,102	\$0	\$866,657	\$866,657	\$142
Burkittsville	156	0	23,900	23,900	153
Emmitsburg	3,026	0	371,666	371,666	123
Frederick	68,400	8,738,296	0	8,738,296	128
Middletown	4,460	0	581,111	581,111	130
Mount Airy*	3,861	0	459,159	459,159	119
Myersville	1,703	198,120	0	198,120	116
New Market	693	0	87,803	87,803	127
Rosemont	306	0	10,166	10,166	33
Thurmont	6,439	0	857,311	857,311	133
Walkersville	6,058	0	723,189	723,189	119
Woodsboro	1,193	0	97,421	97,421	82
Garrett					
Accident	319	\$0	\$20,000	\$20,000	\$63
Deer Park	385	0	20,000	20,000	52
Friendsville	480	0	20,000	20,000	42
Grantsville	769	0	20,000	20,000	26
Kitzmiller	313	0	20,000	20,000	64
Loch Lynn Heights	540	0	20,000	20,000	37
Mountain Lake Park	2,123	79,569	0	79,569	37
Oakland	1,905	0	147,000	147,000	77
Harford					
Aberdeen	15,434	\$2,203,729	\$1,128,512	\$3,332,241	\$216
Bel Air	10,264	2,249,473	1,133,357	3,382,830	330
Havre de Grace	13,512	2,210,024	1,220,992	3,431,016	254
Howard	309,284	\$0	\$0	\$0	\$0
Kent					
Betterton	334	\$0	\$0	\$0	\$0
Chestertown	5,125	0	0	0	0
Galena	601	0	0	0	0
Millington*	586	0	0	0	0
Rock Hall	1,312	0	0	0	0

Appendix 2 (continued)

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>Tax</u> <u>Differential</u>	<u>Tax</u> <u>Rebate</u>	<u>Total</u> <u>Amount</u>	<u>Per Capita</u> <u>Amount</u>
Montgomery					
Barnesville	178	\$0	\$0	\$0	\$0
Brookeville	138	0	6,794	6,794	49
Chevy Chase, Sec. 3	794	0	30,796	30,796	39
Chevy Chase, Sec. 5	689	0	0	0	0
Chevy Chase	2,959	0	130,297	130,297	44
Chevy Chase View	969	0	41,275	41,275	43
Chevy Chase Village	2,047	0	100,524	100,524	49
Drummond	0	0	4,613	4,613	0
Friendship Heights	0	0	82,625	82,625	0
Gaithersburg	66,816	0	1,168,467	1,168,467	17
Garrett Park	1,036	0	47,593	47,593	46
Glen Echo	269	0	20,762	20,762	77
Kensington	2,313	0	137,523	137,523	59
Laytonsville	370	0	12,991	12,991	35
Martin's Additions	982	0	26,832	26,832	27
North Chevy Chase	585	0	23,918	23,918	41
Oakmont	0	0	3,278	3,278	0
Poolesville	5,160	0	210,634	210,634	41
Rockville	65,937	0	2,116,671	2,116,671	32
Somerset	1,278	0	52,560	52,560	41
Takoma Park	17,670	0	3,513,643	3,513,643	199
Washington Grove	573	0	44,922	44,922	78
Prince George's					
Berwyn Heights	3,262	\$392,546	\$8,231	\$400,777	\$123
Bladensburg	9,583	501,402	22,486	523,888	55
Bowie	57,646	8,670,292	149,877	8,820,169	153
Brentwood	3,174	167,397	8,379	175,776	55
Capitol Heights	4,546	324,342	10,723	335,065	74
Cheverly	6,449	709,482	18,839	728,321	113
College Park	32,256	729,583	83,290	812,873	25
Colmar Manor	1,460	79,052	3,483	82,535	57
Cottage City	1,363	97,298	3,446	100,744	74
District Heights	6,109	383,192	20,607	403,799	66
Eagle Harbor	66	280	153	433	7

Appendix 2 (continued)

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>Tax</u> <u>Differential</u>	<u>Tax</u> <u>Rebate</u>	<u>Total</u> <u>Amount</u>	<u>Per Capita</u> <u>Amount</u>
Edmonston	1,509	210,953	3,498	214,451	142
Fairmount Heights	1,561	51,719	3,908	55,627	36
Forest Heights	2,559	150,895	7,997	158,892	62
Glenarden	6,290	441,907	16,371	458,278	73
Greenbelt	24,125	2,888,875	64,151	2,953,026	122
Hyattsville	18,420	2,692,868	48,082	2,740,950	149
Landover Hills	1,801	151,869	5,644	157,513	87
Laurel	26,160	4,356,585	68,781	4,425,366	169
Morningside	2,082	67,563	5,518	73,081	35
Mt. Rainier	8,430	483,709	22,179	505,888	60
New Carrollton	12,708	809,139	33,467	842,606	66
North Brentwood	538	1,946	1,428	3,374	6
Riverdale Park	7,266	930,678	17,335	948,013	130
Seat Pleasant	4,752	341,361	14,943	356,304	75
University Park	2,653	419,682	6,254	425,936	161
Upper Marlboro	833	137,757	2,077	139,834	168
Queen Anne's					
Barclay	119	\$0	\$7,373	\$7,373	\$62
Centreville	4,574	\$267,551	\$0	\$267,551	58
Church Hill	736	\$0	\$21,605	\$21,605	29
Millington*	37	\$14,446	\$0	\$14,446	390
Queen Anne*	127	\$0	\$3,363	\$3,363	26
Queenstown	656	\$0	\$54,612	\$54,612	83
Sudlersville	502	\$12,963	\$0	\$12,963	26
Templeville*	85	\$0	\$950	\$950	11
St. Mary's					
Leonardtwn	3,511	\$0	\$49,811	\$49,811	\$14
Somerset					
Crisfield	2,671	\$0	\$157,500	\$157,500	\$59
Princess Anne	3,330	0	157,500	157,500	47

Appendix 2 (continued)

<u>Jurisdiction</u>	<u>Population July 2014</u>	<u>Tax Differential</u>	<u>Tax Rebate</u>	<u>Total Amount</u>	<u>Per Capita Amount</u>
Talbot					
Easton	16,675	\$2,899,856	\$0	\$2,899,856	\$174
Oxford	624	423,729	0	423,729	679
Queen Anne*	91	4,958	0	4,958	54
St. Michaels	1,046	407,789	0	407,789	390
Trappe	1,030	95,591	0	95,591	93
Washington					
Boonsboro	3,449	\$340,945	\$0	\$340,945	\$99
Clear Spring	353	25,783	0	25,783	73
Funkstown	887	58,630	0	58,630	66
Hagerstown	40,364	3,107,280	0	3,107,280	77
Hancock	1,555	115,960	0	115,960	75
Keedysville	1,162	102,095	0	102,095	88
Sharpsburg	706	50,317	0	50,317	71
Smithsburg	3,002	217,805	0	217,805	73
Williamsport	2,167	134,082	0	134,082	62
Wicomico					
Delmar	3,021	\$0	\$0	\$0	\$0
Fruitland	5,121	0	0	0	0
Hebron	1,085	0	0	0	0
Mardela Springs	348	0	0	0	0
Pittsville	1,421	0	0	0	0
Salisbury	32,563	0	0	0	0
Sharptown	643	0	0	0	0
Willards	970	0	0	0	0
Worcester					
Berlin	4,552	\$0	\$0	\$0	\$0
Ocean City	7,089	0	0	0	0
Pocomoke City	4,160	0	0	0	0
Snow Hill	2,091	0	0	0	0

*Municipality is in two counties.

Source: Department of Legislative Services

Appendix 3. Tax Differential Share of County Property Tax Rate Fiscal 2015

<u>Jurisdiction</u>	<u>County Property Tax Rate</u>	<u>Tax Differential Share of County Tax Rate</u>
Allegany	\$0.979	
Barton	0.898	8.3%
Cumberland	0.853	12.9%
Frostburg	0.860	12.2%
Lonaconing	0.876	10.5%
Luke	0.874	10.8%
Midland	0.898	8.3%
Westernport	0.885	9.6%
 Anne Arundel	 \$0.943	
Annapolis	0.564	40.2%
Highland Beach	0.943	0.0%
 Calvert	 \$0.892	
Chesapeake Beach	0.556	37.7%
North Beach	0.556	37.7%
 Caroline	 \$0.960	
Denton	0.900	6.2%
Federalsburg	0.890	7.3%
Goldsboro	0.960	0.0%
Greensboro	0.900	6.2%
Henderson	0.960	0.0%
Hillsboro	0.960	0.0%
Marydel	0.960	0.0%
Preston	0.930	3.1%
Ridgely	0.900	6.2%
Templeville	0.960	0.0%
 Charles	 \$1.141	
Indian Head	1.100	3.6%
La Plata	1.046	8.3%
Port Tobacco	1.141	0.0%

Appendix 3 (continued)

<u>Jurisdiction</u>	<u>County Property Tax Rate</u>	<u>Tax Differential Share of County Tax Rate</u>
Dorchester	\$0.976	
Brookview	0.976	0.0%
Cambridge	0.932	4.5%
Church Creek	0.976	0.0%
East New Market	0.976	0.0%
Eldorado	0.976	0.0%
Galestown	0.976	0.0%
Hurlock	0.929	4.9%
Secretary	0.976	0.0%
Vienna	0.976	0.0%
Frederick	\$1.060	
Brunswick	1.060	0.0%
Burkittsville	1.060	0.0%
Emmitsburg	1.060	0.0%
Frederick	0.929	12.3%
Middletown	1.060	0.0%
Mount Airy	1.060	0.0%
Myersville	0.929	12.4%
New Market	1.060	0.0%
Rosemont	1.060	0.0%
Thurmont	1.060	0.0%
Walkersville	1.060	0.0%
Woodsboro	1.060	0.0%
Garrett	\$0.990	
Accident	0.990	0.0%
Deer Park	0.990	0.0%
Friendsville	0.990	0.0%
Grantsville	0.990	0.0%
Kitzmiller	0.990	0.0%
Loch Lynn Heights	0.990	0.0%
Mountain Lake Park	0.924	6.7%
Oakland	0.990	0.0%

Appendix 3 (continued)

<u>Jurisdiction</u>	<u>County Property Tax Rate</u>	<u>Tax Differential Share of County Tax Rate</u>
Harford	\$1.042	
Aberdeen	0.894	14.2%
Bel Air	0.894	14.2%
Havre de Grace	0.894	14.2%
Prince George's	\$0.960	
Berwyn Heights	0.833	13.2%
Bladensburg	0.850	11.5%
Bowie	0.830	13.5%
Brentwood	0.878	8.5%
Capitol Heights	0.840	12.5%
Cheverly	0.838	12.7%
College Park	0.929	3.2%
Colmar Manor	0.861	10.3%
Cottage City	0.851	11.4%
District Heights	0.835	13.0%
Eagle Harbor	0.956	0.4%
Edmonston	0.848	11.7%
Fairmount Heights	0.901	6.1%
Forest Heights	0.868	9.6%
Glenarden	0.851	11.4%
Greenbelt	0.819	14.7%
Hyattsville	0.823	14.3%
Landover Hills	0.838	12.7%
Laurel	0.796	17.1%
Morningside	0.882	8.1%
Mt. Rainier	0.825	14.1%
New Carrollton	0.845	12.0%
North Brentwood	0.956	0.4%
Riverdale Park	0.822	14.4%
Seat Pleasant	0.832	13.3%
University Park	0.834	13.1%
Upper Marlboro	0.862	10.2%

Appendix 3 (continued)

<u>Jurisdiction</u>	<u>County Property Tax Rate</u>	<u>Tax Differential Share of County Tax Rate</u>
Queen Anne's	\$0.847	
Barclay	0.847	0.0%
Centreville	0.793	6.4%
Church Hill	0.847	0.0%
Millington	0.810	4.4%
Queen Anne	0.847	0.0%
Queenstown	0.847	0.0%
Sudlersville	0.810	4.4%
Templeville	0.847	0.0%
Talbot	\$0.527	
Easton	0.395	25.0%
Oxford	0.410	22.2%
Queen Anne	0.466	11.6%
St. Michaels	0.400	24.1%
Trappe	0.430	18.4%
Washington	\$0.948	
Boonsboro	0.823	13.2%
Clear Spring	0.823	13.2%
Funkstown	0.823	13.2%
Hagerstown	0.823	13.2%
Hancock	0.823	13.2%
Keedysville	0.823	13.2%
Sharpsburg	0.823	13.2%
Smithsburg	0.823	13.2%
Williamsport	0.823	13.2%

Source: Department of Legislative Services

Appendix 4. County and Municipal Real Property Tax Rates Fiscal 2015

<u>Jurisdiction</u>	<u>Population July 2014</u>	<u>County Rate</u>	<u>Municipal Rate</u>	<u>County Special Rate</u>	<u>Total Rate</u>
Allegany	72,952	\$0.979			\$0.979
Barton	437	0.898	\$0.173	-	1.070
Cumberland	20,235	0.853	0.965	-	1.818
Frostburg	8,684	0.860	0.567	-	1.426
Lonaconing	1,151	0.876	0.355	-	1.231
Luke	64	0.874	0.750	-	1.624
Midland	432	0.898	0.280	-	1.178
Westernport	1,821	0.885	0.600	-	1.485
Anne Arundel	560,133	\$0.943			\$0.943
Annapolis	38,856	0.564	\$0.649	-	1.213
Highland Beach	100	0.943	0.406	-	1.349
Baltimore City	622,793	\$2.248			\$2.248
Baltimore	826,925	\$1.100			\$1.100
Calvert	90,613	\$0.892			\$0.892
Chesapeake Beach	5,874	0.556	\$0.360	-	0.916
North Beach	2,015	0.556	0.634	-	1.190
Caroline	32,538	\$0.960			\$0.960
Denton	4,344	0.900	\$0.710	-	1.610
Federalsburg	2,667	0.890	0.720	-	1.610
Goldsboro	241	0.960	0.470	-	1.430
Greensboro	1,859	0.900	0.730	-	1.630
Henderson	143	0.960	0.420	-	1.380
Hillsboro	158	0.960	0.160	-	1.120
Marydel	134	0.960	0.300	-	1.260
Preston	690	0.930	0.360	-	1.290
Ridgely	1,616	0.900	0.590	-	1.490
Templeville*	28	0.960	0.360	-	1.320

Appendix 4 (continued)

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>County</u> <u>Rate</u>	<u>Municipal</u> <u>Rate</u>	<u>County</u> <u>Special Rate</u>	<u>Total</u> <u>Rate</u>
Carroll	167,830	\$1.018			\$1.018
Hampstead	6,363	1.018	\$0.200	-	1.218
Manchester	4,821	1.018	0.216	-	1.234
Mount Airy*	5,527	1.018	0.170	-	1.188
New Windsor	1,402	1.018	0.212	-	1.230
Sykesville	4,432	1.018	0.350	-	1.368
Taneytown	6,752	1.018	0.370	-	1.388
Union Bridge	974	1.018	0.300	-	1.318
Westminster	18,724	1.018	0.560	-	1.578
Cecil	102,383	\$0.991			\$0.991
Cecilton	672	0.991	\$0.220	-	1.210
Charlestown	1,197	0.991	0.333	-	1.324
Chesapeake City	690	0.991	0.449	-	1.439
Elkton	15,852	0.991	0.586	-	1.576
North East	3,715	0.991	0.480	-	1.471
Perryville	4,429	0.991	0.313	-	1.304
Port Deposit	659	0.991	0.554	-	1.545
Rising Sun	2,877	0.991	0.406	-	1.397
Charles	154,747	\$1.141		\$0.064	\$1.205
Indian Head	3,873	1.100	\$0.300	0.064	1.464
La Plata	8,988	1.046	0.320	0.064	1.430
Port Tobacco	13	1.141	0.040	0.064	1.245
Dorchester	32,578	\$0.976			\$0.976
Brookview	59	0.976	\$0.300	-	1.276
Cambridge	12,569	0.932	0.799	-	1.731
Church Creek	124	0.976	0.170	-	1.146
East New Market	394	0.976	0.711	-	1.687
Eldorado	58	0.976	0.190	-	1.166
Galestown	137	0.976	0.310	-	1.286
Hurlock	2,057	0.929	0.835	-	1.763
Secretary	532	0.976	0.320	-	1.296
Vienna	277	0.976	0.480	-	1.456

Appendix 4 (continued)

<u>Jurisdiction</u>	<u>Population July 2014</u>	<u>County Rate</u>	<u>Municipal Rate</u>	<u>County Special Rate</u>	<u>Total Rate</u>
Frederick	243,675	\$1.060		-	\$1.060
Brunswick	6,102	1.060	\$0.462	-	1.522
Burkittsville	156	1.060	0.140	-	1.200
Emmitsburg	3,026	1.060	0.360	-	1.420
Frederick	68,400	0.929	0.731	-	1.660
Middletown	4,460	1.060	0.232	-	1.292
Mount Airy*	3,861	1.060	0.170	-	1.230
Myersville	1,703	0.929	0.391	-	1.320
New Market	693	1.060	0.120	-	1.180
Rosemont	306	1.060	0.040	-	1.100
Thurmont	6,439	1.060	0.310	-	1.370
Walkersville	6,058	1.060	0.150	-	1.210
Woodsboro	1,193	1.060	0.127	-	1.187
Garrett	29,679	\$0.990			\$0.990
Accident	319	0.990	\$0.320	-	1.310
Deer Park	385	0.990	0.300	-	1.290
Friendsville	480	0.990	0.320	-	1.310
Grantsville	769	0.990	0.200	-	1.190
Kitzmiller	313	0.990	0.360	-	1.350
Loch Lynn Heights	540	0.990	0.320	-	1.310
Mountain Lake Park	2,123	0.924	0.414	-	1.337
Oakland	1,905	0.990	0.472	-	1.462
Harford	250,105	\$1.042			\$1.042
Aberdeen	15,434	0.894	\$0.680	-	1.574
Bel Air	10,264	0.894	0.500	-	1.394
Havre de Grace	13,512	0.894	0.560	-	1.454
Howard	309,284	\$1.014		\$0.176	\$1.190
Kent	19,820	\$1.022			\$1.022
Betterton	334	1.022	\$0.320	-	1.342
Chestertown	5,125	1.022	0.370	-	1.392
Galena	601	1.022	0.240	-	1.262
Millington*	586	1.022	0.280	-	1.302
Rock Hall	1,312	1.022	0.320	-	1.342

Appendix 4 (continued)

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>County</u> <u>Rate</u>	<u>Municipal</u> <u>Rate</u>	<u>County</u> <u>Special Rate</u>	<u>Total</u> <u>Rate</u>
Montgomery	1,030,447	\$0.732		\$0.276	\$1.008
Barnesville	178	0.732	\$0.051	0.200	0.983
Brookeville	138	0.732	0.150	0.200	1.082
Chevy Chase, Sec. 3	794	0.732	0.020	0.276	1.028
Chevy Chase, Sec. 5	689	0.732	0.000	0.276	1.008
Chevy Chase	2,959	0.732	0.000	0.276	1.008
Chevy Chase View	969	0.732	0.022	0.276	1.030
Chevy Chase Village	2,047	0.732	0.085	0.276	1.093
Gaithersburg	66,816	0.732	0.262	0.177	1.171
Garrett Park	1,036	0.732	0.210	0.273	1.215
Glen Echo	269	0.732	0.140	0.276	1.148
Kensington	2,313	0.732	0.136	0.273	1.141
Laytonsville	370	0.732	0.090	0.200	1.022
Martin's Additions	982	0.732	0.047	0.276	1.055
North Chevy Chase	585	0.732	0.052	0.276	1.060
Poolesville	5,160	0.732	0.167	0.200	1.099
Rockville	65,937	0.732	0.622	0.177	1.531
Somerset	1,278	0.732	0.080	0.276	1.088
Takoma Park	17,670	0.732	0.570	0.273	1.575
Washington Grove	573	0.732	0.300	0.177	1.209
Prince George's	904,430	\$0.960		\$0.359	\$1.319
Berwyn Heights	3,262	0.833	\$0.530	0.359	1.722
Bladensburg	9,583	0.850	0.740	0.359	1.949
Bowie	57,646	0.830	0.400	0.305	1.535
Brentwood	3,174	0.878	0.411	0.359	1.648
Capitol Heights	4,546	0.840	0.462	0.359	1.661
Cheverly	6,449	0.838	0.580	0.359	1.777
College Park	32,256	0.929	0.335	0.359	1.623
Colmar Manor	1,460	0.861	1.370	0.359	2.590
Cottage City	1,363	0.851	0.650	0.359	1.860
District Heights	6,109	0.835	1.020	0.205	2.060
Eagle Harbor	66	0.956	0.480	0.359	1.795
Edmonston	1,509	0.848	0.660	0.359	1.867
Fairmount Heights	1,561	0.901	0.460	0.359	1.720
Forest Heights	2,559	0.868	0.625	0.359	1.852

Appendix 4 (continued)

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>County</u> <u>Rate</u>	<u>Municipal</u> <u>Rate</u>	<u>County</u> <u>Special Rate</u>	<u>Total</u> <u>Rate</u>
Glenarden	6,290	0.851	0.336	0.359	1.546
Greenbelt	24,125	0.819	0.813	0.205	1.836
Hyattsville	18,420	0.823	0.630	0.359	1.812
Landover Hills	1,801	0.838	0.520	0.359	1.717
Laurel	26,160	0.796	0.710	0.151	1.657
Morningside	2,082	0.882	0.740	0.359	1.981
Mt. Rainier	8,430	0.825	0.860	0.359	2.044
New Carrollton	12,708	0.845	0.706	0.359	1.910
North Brentwood	538	0.956	0.440	0.359	1.755
Riverdale Park	7,266	0.822	0.566	0.359	1.747
Seat Pleasant	4,752	0.832	0.580	0.359	1.771
University Park	2,653	0.834	0.645	0.359	1.838
Upper Marlboro	833	0.862	0.240	0.359	1.461
Queen Anne's	48,804	\$0.847			\$0.847
Barclay	119	0.847	\$0.200	-	1.047
Centreville	4,574	0.793	0.380	-	1.173
Church Hill	736	0.847	0.340	-	1.187
Millington*	37	0.810	0.280	-	1.090
Queen Anne*	127	0.847	0.180	-	1.027
Queenstown	656	0.847	0.190	-	1.037
Sudlersville	502	0.810	0.167	-	0.977
Templeville*	85	0.847	0.360	-	1.207
St. Mary's	110,382	\$0.857			\$0.857
Leonardtwn	3,511	0.857	\$0.127	-	0.984
Somerset	25,859	\$0.915			\$0.915
Crisfield	2,671	0.915	\$0.870	-	1.785
Princess Anne	3,330	0.915	1.151	-	2.066
Talbot	37,643	\$0.527			\$0.527
Easton	16,675	0.395	\$0.520	-	0.915
Oxford	624	0.410	0.278	-	0.688
Queen Anne*	91	0.466	0.180	-	0.646
St. Michaels	1,046	0.400	0.450	-	0.850
Trappe	1,030	0.430	0.290	-	0.720

Appendix 4 (continued)

<u>Jurisdiction</u>	<u>Population</u> <u>July 2014</u>	<u>County</u> <u>Rate</u>	<u>Municipal</u> <u>Rate</u>	<u>County</u> <u>Special Rate</u>	<u>Total</u> <u>Rate</u>
Washington	149,573	\$0.948			\$0.948
Boonsboro	3,449	0.823	\$0.350	-	1.173
Clear Spring	353	0.823	0.280	-	1.103
Funkstown	887	0.823	0.360	-	1.183
Hagerstown	40,364	0.823	0.898	-	1.721
Hancock	1,555	0.823	0.520	-	1.343
Keedysville	1,162	0.823	0.180	-	1.003
Sharpsburg	706	0.823	0.350	-	1.173
Smithsburg	3,002	0.823	0.350	-	1.173
Williamsport	2,167	0.823	0.485	-	1.308
Wicomico	101,539	\$0.952			\$0.952
Delmar	3,021	0.952	\$0.846	-	1.798
Fruitland	5,121	0.952	0.960	-	1.912
Hebron	1,085	0.952	0.420	-	1.372
Mardela Springs	348	0.952	0.230	-	1.182
Pittsville	1,421	0.952	0.280	-	1.232
Salisbury	32,563	0.952	0.937	-	1.889
Sharptown	643	0.952	0.600	-	1.552
Willards	970	0.952	0.460	-	1.412
Worcester	51,675	\$0.770			\$0.770
Berlin	4,552	0.770	\$0.680	-	1.450
Ocean City	7,089	0.770	0.470	-	1.240
Pocomoke City	4,160	0.770	0.929	-	1.699
Snow Hill	2,091	0.770	0.860	-	1.630

(-)County special rate is not imposed in the municipality.

*Municipality is in two counties.

Source: State Department of Assessments and Taxation; Department of Legislative Services

Appendix 5. Residents Residing in Municipalities
July 1, 2014

County	County Population	Municipal Population	Percent of County	Rank
Allegany	72,952	32,824	45.0%	3
Anne Arundel	560,133	38,956	7.0%	20
Baltimore City	622,793	0	0.0%	24
Baltimore	826,925	0	0.0%	24
Calvert	90,613	7,889	8.7%	18
Caroline	32,538	11,880	36.5%	7
Carroll	167,830	48,995	29.2%	11
Cecil	102,383	30,091	29.4%	10
Charles	154,747	12,874	8.3%	19
Dorchester	32,578	16,207	49.7%	2
Frederick	243,675	102,397	42.0%	5
Garrett	29,679	6,834	23.0%	14
Harford	250,105	39,210	15.7%	16
Howard	309,284	0	0.0%	24
Kent	19,820	7,958	40.2%	6
Montgomery	1,030,447	170,763	16.6%	15
Prince George's	904,430	247,601	27.4%	12
Queen Anne's	48,804	6,836	14.0%	17
St. Mary's	110,382	3,511	3.2%	21
Somerset	25,859	6,001	23.2%	13
Talbot	37,643	19,466	51.7%	1
Washington	149,573	53,645	35.9%	8
Wicomico	101,539	45,172	44.5%	4
Worcester	51,675	17,892	34.6%	9
Total	5,976,407	927,002	15.5%	

Source: Maryland Department of Planning; Department of Legislative Services

Appendix 6. Local Government Expenditures by Category Fiscal 2013

<u>Category</u>	<u>Total Local Expenditures</u>	<u>Percent of Total</u>	<u>County Expenditures</u>	<u>Municipal Expenditures</u>	<u>Percent County</u>	<u>Percent Municipal</u>
General Government	\$1,652,185,618	5.7%	\$1,496,765,416	\$155,420,202	90.6%	9.4%
Public Safety						
Police	1,738,566,097	6.0%	1,516,298,930	222,267,167	87.2%	12.8%
Fire	981,795,441	3.4%	932,832,951	48,962,490	95.0%	5.0%
Corrections	378,538,748	1.3%	378,538,748	-	100.0%	0.0%
Other	350,046,051	1.2%	315,973,475	34,072,576	90.3%	9.7%
Public Works						
Transportation	1,404,737,259	4.9%	1,227,673,209	177,064,050	87.4%	12.6%
Sewer/Solid Waste/Water	2,268,248,731	7.9%	1,969,766,230	298,482,501	86.8%	13.2%
Other	92,004,356	0.3%	8,208,466	83,795,890	8.9%	91.1%
Education						
Public Schools	13,271,569,895	45.9%	13,271,569,895	-	100.0%	0.0%
Community Colleges	1,287,011,027	4.5%	1,287,011,027	-	100.0%	0.0%
Libraries	299,875,509	1.0%	299,875,509	-	100.0%	0.0%
Health/Social Services	992,164,834	3.4%	992,164,834	-	100.0%	0.0%
Parks and Recreation	680,321,684	2.4%	584,135,066	96,186,618	85.9%	14.1%
Community/Economic Development	807,440,724	2.8%	764,116,151	43,324,573	94.6%	5.4%
Miscellaneous	1,250,309,290	4.3%	1,203,486,984	46,822,306	96.3%	3.7%
Debt Service	1,432,835,677	5.0%	1,349,024,937	83,810,740	94.2%	5.8%
Total	\$28,887,650,941	100.0%	\$27,597,441,828	\$1,290,209,113	95.5%	4.5%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Appendix 7. Local Government Expenditures by County

Fiscal 2013

County	County (\$ in Millions)	Municipal (\$ in Millions)	Total (\$ in Millions)	Percent County	Percent Municipal
Allegany	\$261.7	\$56.4	\$318.1	82.3%	17.7%
Anne Arundel	2,187.5	91.7	2,279.2	96.0%	4.0%
Baltimore City	3,642.0	0.0	3,642.0	100.0%	0.0%
Baltimore	3,405.4	0.0	3,405.4	100.0%	0.0%
Calvert	400.8	14.2	415.0	96.6%	3.4%
Caroline	115.1	13.9	129.0	89.3%	10.7%
Carroll	643.5	50.6	694.1	92.7%	7.3%
Cecil	355.4	37.8	393.2	90.4%	9.6%
Charles	706.8	13.4	720.2	98.1%	1.9%
Dorchester	117.2	23.0	140.1	83.6%	16.4%
Frederick	979.4	145.3	1,124.7	87.1%	12.9%
Garrett	137.5	7.1	144.7	95.1%	4.9%
Harford	1,027.6	57.8	1,085.4	94.7%	5.3%
Howard	1,721.2	0.0	1,721.2	100.0%	0.0%
Kent	71.5	10.6	82.1	87.1%	12.9%
Montgomery	5,902.2	196.9	6,099.0	96.8%	3.2%
Prince George's	4,042.8	171.5	4,214.3	95.9%	4.1%
Queen Anne's	189.2	7.9	197.2	96.0%	4.0%
St. Mary's	403.7	3.5	407.1	99.1%	0.9%
Somerset	77.7	8.6	86.3	90.1%	9.9%
Talbot	116.4	74.1	190.4	61.1%	38.9%
Washington	514.8	106.3	621.1	82.9%	17.1%
Wicomico	339.3	57.5	396.9	85.5%	14.5%
Worcester	238.8	142.3	381.1	62.7%	37.3%
Statewide	\$27,597.4	\$1,290.2	\$28,887.7	95.5%	4.5%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Appendix 8. County and Municipal Government Expenditures
Exclusive of Local Board Expenditures
Fiscal 2013

County	County (\$ in Millions)	Municipal (\$ in Millions)	Total (\$ in Millions)	Percent County	Percent Municipal
Allegany	\$92.1	\$56.4	\$148.5	62.0%	38.0%
Anne Arundel	873.9	91.7	965.6	90.5%	9.5%
Baltimore City	2,167.5	0.0	2,167.5	100.0%	0.0%
Baltimore	1,618.5	0.0	1,618.5	100.0%	0.0%
Calvert	150.9	14.2	165.1	91.4%	8.6%
Caroline	35.8	13.9	49.7	72.1%	27.9%
Carroll	222.0	50.6	272.6	81.4%	18.6%
Cecil	115.6	37.8	153.4	75.4%	24.6%
Charles	265.9	13.4	279.3	95.2%	4.8%
Dorchester	44.9	23.0	67.9	66.2%	33.8%
Frederick	362.3	145.3	507.6	71.4%	28.6%
Garrett	59.4	7.1	66.6	89.3%	10.7%
Harford	408.9	57.8	466.7	87.6%	12.4%
Howard	715.3	0.0	715.3	100.0%	0.0%
Kent	35.6	10.6	46.2	77.1%	22.9%
Montgomery	2,919.9	196.9	3,116.8	93.7%	6.3%
Prince George's	1,958.8	171.5	2,130.3	91.9%	8.1%
Queen Anne's	84.4	7.9	92.4	91.4%	8.6%
St. Mary's	155.4	3.5	158.9	97.8%	2.2%
Somerset	35.2	8.6	43.8	80.4%	19.6%
Talbot	47.7	74.1	121.8	39.2%	60.8%
Washington	151.5	106.3	257.8	58.8%	41.2%
Wicomico	111.3	57.5	168.8	65.9%	34.1%
Worcester	116.9	142.3	259.3	45.1%	54.9%
Statewide	\$12,750.0	\$1,290.2	\$14,040.2	90.8%	9.2%

Note: County Government amount excludes expenditures for the local boards of education, local library boards, and local community colleges.

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services