

PROPERTY TAX SET-OFFS

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

FISCAL 2016



DEPARTMENT OF LEGISLATIVE SERVICES 2016

**Property Tax Set-offs:
The Use of Local Property Tax Differentials
And Tax Rebates in Maryland
Fiscal 2016**

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

December 2016

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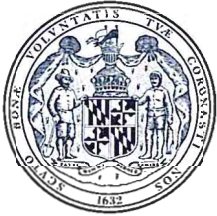
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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Warren G. Deschenaux
Executive Director

December 2016

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 2016. 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 Michael Sanelli 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,

Warren G. Deschenaux
Executive Director

WGD/kmb

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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 2016. 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 \$39.7 million for their municipalities. Five counties (Carroll, Cecil, Montgomery, St. Mary's, and Somerset) returned to their municipalities rebates totaling \$10.9 million. Six counties (Dorchester, Frederick, Garrett, Harford, Prince George's, and Queen Anne's) provided both tax differentials and rebates to

their municipalities totaling \$52.0 million. In sum, tax differentials and rebates totaled \$102.7 million in fiscal 2016, a 1.1% increase compared to the prior year. Tax differentials totaled \$83.1 million, and tax rebates totaled \$19.6 million.

Over the last 10 years, the level of tax set-offs provided to municipalities has increased by \$43.2 million, or 72.7%, which represents an average annual increase of 5.6%. In fiscal 2006, the level of tax set-offs totaled \$59.5 million.

All counties, except Caroline, Kent, and St. Mary's, increased the amount of tax set-offs provided to municipalities since fiscal 2006. Kent County discontinued providing tax rebates in fiscal 2015. Increases in tax set-off amounts over the past 10 years have been significant in most counties, with tax set-off amounts at least doubling in 6 of the 14 counties that experienced an increase. In Frederick County, for example, the tax set-off amount for fiscal 2016 (\$13.1 million) is almost three times what it was in fiscal 2006 (\$5.4 million). In Dorchester County, a tax rebate totaling approximately \$69,000 was provided in fiscal 2006. Since that time, tax rebates provided by the county have grown to \$383,676 in fiscal 2016.

Of the State's larger counties, only Prince George's County provided a dramatically higher tax set-off in fiscal 2016 (\$27.3 million) than it did in fiscal 2006 (\$14.3 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 \$7.3 million in fiscal 2006. In fiscal 2016, the county provided tax rebates totaling \$7.7 million, which represents an average annual increase of 0.5%. Similarly, in Anne Arundel County, the total value of the tax rate differential increased by \$7.6 million over the 10-year period, which represents an average annual increase of 3.9%. Most of this increase, however, is due to the assessable base growth in the City of Annapolis.

Queen Anne's County began providing both tax rate differentials and rebates in fiscal 2015. Of the 18 counties providing tax set-offs in fiscal 2016, the tax set-off amount decreased relative to the amounts provided in fiscal 2015 in 5 counties.

Property Tax Set-offs: The Use of Local Property Tax Differentials And Tax Rebates in Maryland Fiscal 2016

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 2015 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 66.9% of municipal expenditures in fiscal 2014. 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 2014
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$28,521.5	95.5%
Municipal Level	1,355.2	4.5%
Total	\$29,876.6	100.0%

<u>Municipal Level</u>	<u>Expenditures</u>	<u>Percent of Total</u>
Public Works	\$585.0	43.2%
Public Safety	321.5	23.7%
General Government	166.0	12.3%
Parks, Recreation, & Culture	97.5	7.2%
Community/Economic Development	48.6	3.6%
Miscellaneous	52.9	3.9%
Debt Service	83.5	6.2%
Total	\$1,355.2	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 2016. 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 2016.
- **Exhibit 4** shows the per capita distribution of tax differentials and rebates among municipalities for fiscal 2016.
- **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 2013 through 2015.
- **Exhibit 7** compares tax set-offs authorized in fiscal 2016 to those in fiscal 2015.
- **Exhibit 8** compares a county's tax set-off amount in fiscal 2016 with the amount provided in fiscal 2006.
- **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 2016 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 2016 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 2014 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 2016. 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 2016, tax differentials and rebates totaled \$102.7 million, a 1.1% increase compared to the prior year. Local funding for tax differentials and rebates in fiscal 2016 ranged from \$43,000 in St. Mary's County to \$27.3 million in Prince George's County. On a per capita basis, local funding ranged from less than \$1 in St. Mary's County to \$104 in Talbot County.

Seven counties (Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot, and Washington) provided tax rate differentials totaling \$39.7 million for the municipalities in their jurisdictions. Five counties (Carroll, Cecil, Montgomery, St. Mary's, and Somerset) returned to the municipalities rebates totaling \$10.9 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 \$27.3 million – as did Harford County, totaling \$10.3 million. Dorchester County provided tax rate differentials to Cambridge and Hurlock totaling \$377,626 and provided tax rebates to its other municipalities totaling \$6,050. Frederick County provided tax rate differentials to Frederick and Myersville totaling \$9.0 million and provided 10 other municipalities \$4.2 million of tax rebates. Garrett County had a tax rate differential totaling \$70,433 for Mountain Lake Park and provided \$297,000 in rebates to seven other municipalities. Queen Anne's County provided tax rate differentials to Centreville, Millington, and Sudlersville, totaling \$452,124, and provided five other municipalities \$137,723 of tax rebates. In 5 of the 18 counties providing tax set-offs in fiscal 2016, the tax set-off amount decreased relative to the amount provided in fiscal 2015. The set-off amount increased in Anne Arundel, Calvert, Caroline, Charles, Dorchester, Frederick, Garrett, Harford, Prince George's, Queen Anne's, Somerset, Talbot, and Washington counties.

The City of Annapolis (Anne Arundel County) received the largest tax set-off amount in fiscal 2016. The county real property tax rate within the city was reduced by \$0.3710 per \$100 of assessed value, resulting in a property tax revenue offset of \$24.1 million in fiscal 2016 or \$611 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 \$9.0 million. For a majority of municipalities in Maryland, the per capita tax differential or rebate amount is under \$75 per municipal resident. In 27 municipalities (16.9%), the county government did not grant either a tax differential or tax rebate. In 9 municipalities (5.6%), the tax differential or rebate amount exceeded \$200 per municipal resident.

Exhibit 2
2016 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 2016

County	Tax Differential	Tax Rebate	Total
Allegany	\$2,001,566	\$0	\$2,001,566
Anne Arundel	24,126,315	0	24,126,315
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,361,114	0	3,361,114
Caroline	475,639	0	475,639
Carroll	0	2,143,653	2,143,653
Cecil	0	741,659	741,659
Charles	1,658,202	0	1,658,202
Dorchester	377,626	6,050	383,676
Frederick	8,976,456	4,172,702	13,149,158
Garrett	70,433	297,000	367,433
Harford	6,836,053	3,416,633	10,252,686
Howard	N/A	N/A	N/A
Kent	0	0	0
Montgomery	0	7,656,182	7,656,182
Prince George's	26,641,923	651,147	27,293,070
Queen Anne's	452,124	137,723	589,847
St. Mary's	0	42,973	42,973
Somerset	0	360,000	360,000
Talbot	3,911,402	0	3,911,402
Washington	4,205,045	0	4,205,045
Wicomico	0	0	0
Worcester	0	0	0
Total	\$83,093,897	\$19,625,722	\$102,719,619

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 2016

<u>Per Capita Amount</u>	<u>Municipalities</u>	<u>Percent of Total</u>
Over \$500	3	1.9%
\$200-\$499	6	3.8%
\$100-\$199	25	15.6%
\$75-\$99	13	8.1%
\$50-\$74	27	16.9%
\$25-\$49	41	25.6%
\$1-\$24	18	11.3%
\$0	27	16.9%
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 2016

Jurisdiction	Population July 2015	Total Amount	Per Capita Amount	Rank
Aberdeen	15,580	\$3,390,886	\$218	4
Annapolis	39,474	24,126,315	611	1
Bel Air	10,190	3,384,117	332	2
Bladensburg	9,640	536,275	56	18
Bowie	58,025	8,955,173	154	9
Cambridge	12,507	322,752	26	23
College Park	32,301	860,747	27	22
Cumberland	20,130	1,367,868	68	15
Easton	16,617	2,988,581	180	6
Elkton	15,782	347,346	22	24
Frederick	69,479	8,769,445	126	11
Frostburg	8,667	473,083	55	19
Gaithersburg	67,456	1,168,467	17	25
Greenbelt	24,272	3,008,805	124	12
Hagerstown	40,432	3,160,807	78	13
Havre de Grace	13,504	3,477,684	258	3
Hyattsville	18,501	2,699,829	146	10
La Plata	9,125	1,532,270	168	8
Laurel	26,215	4,615,296	176	7
Mt. Airy	9,380	580,690	62	16
Mt. Rainier	8,475	503,383	59	17
New Carrollton	12,786	897,272	70	14
Rockville	66,980	2,116,671	32	21
Salisbury	32,899	0	0	26
Takoma Park	17,713	3,513,643	198	5
Westminster	18,670	801,439	43	20

Source: Department of Legislative Services

Exhibit 6
Tax Differentials and Tax Rebates
Fiscal 2013-2015

County	Fiscal 2013			Fiscal 2014			Fiscal 2015		
	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total
Allegany	\$2,298,832	\$0	\$2,298,832	\$2,204,011	\$0	\$2,204,011	\$2,027,856	\$0	\$2,027,856
Anne Arundel	23,585,743	0	23,585,743	24,131,339	0	24,131,339	24,003,518	0	24,003,518
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	3,314,448	0	3,314,448	3,368,991	0	3,368,991	3,332,590	0	3,332,590
Caroline	493,388	0	493,388	473,645	0	473,645	461,691	0	461,691
Carroll	0	2,452,047	2,452,047	0	2,520,690	2,520,690	0	2,588,434	2,588,434
Cecil	0	806,538	806,538	0	760,340	760,340	0	750,330	750,330
Charles	998,719	0	998,719	1,108,014	0	1,108,014	1,169,333	0	1,169,333
Dorchester	381,880	6,050	387,930	398,799	6,050	404,849	373,354	6,050	379,404
Frederick	8,017,458	3,732,735	11,750,193	8,542,062	4,011,173	12,553,235	8,936,416	4,078,383	13,014,799
Garrett	63,254	237,000	300,254	70,422	237,000	307,422	79,569	267,000	346,569
Harford	6,632,747	3,339,695	9,972,442	6,550,444	3,554,158	10,104,602	6,663,225	3,482,861	10,146,086
Howard	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kent	0	128,895	128,895	0	64,446	64,446	0	0	0
Montgomery	0	7,776,718	7,776,718	0	7,776,718	7,776,718	0	7,776,718	7,776,718
Prince George's	30,100,485	651,147	30,751,632	26,818,044	651,147	27,469,191	26,192,372	651,147	26,843,519
Queen Anne's	0	0	0	0	0	0	294,960	87,903	382,863
St. Mary's	0	49,615	49,615	0	50,471	50,471	0	49,811	49,811
Somerset	0	300,000	300,000	0	315,000	315,000	0	315,000	315,000
Talbot	3,834,414	0	3,834,414	3,588,941	0	3,588,941	3,831,923	0	3,831,923
Washington	4,353,758	0	4,353,758	4,320,810	0	4,320,810	4,152,897	0	4,152,897
Wicomico	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0
Total	\$84,075,126	\$19,480,440	\$103,555,565	\$81,575,522	\$19,947,193	\$101,522,715	\$81,519,705	\$20,053,637	\$101,573,342

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 7
Changes in Tax Differentials and Tax Rebates
Fiscal 2015 and 2016

County	FY 2015	FY 2016	Difference	% Difference
Allegany	\$2,027,856	\$2,001,566	(\$26,291)	-1.3%
Anne Arundel	24,003,518	24,126,315	122,797	0.5%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	3,332,590	3,361,114	28,524	0.9%
Caroline	461,691	475,639	13,948	3.0%
Carroll	2,588,434	2,143,653	(444,781)	-17.2%
Cecil	750,330	741,659	(8,671)	-1.2%
Charles	1,169,333	1,658,202	488,869	41.8%
Dorchester	379,404	383,676	4,272	1.1%
Frederick	13,014,799	13,149,158	134,359	1.0%
Garrett	346,569	367,433	20,864	6.0%
Harford	10,146,086	10,252,686	106,600	1.1%
Howard	N/A	N/A	N/A	N/A
Kent	0	0	0	0.0%
Montgomery	7,776,718	7,656,182	(120,536)	-1.5%
Prince George's	26,843,519	27,293,070	449,550	1.7%
Queen Anne's	382,863	589,847	206,983	54.1%
St. Mary's	49,811	42,973	(6,838)	-13.7%
Somerset	315,000	360,000	45,000	14.3%
Talbot	3,831,923	3,911,402	79,479	2.1%
Washington	4,152,897	4,205,045	52,148	1.3%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
Total	\$101,573,342	\$102,719,619	\$1,146,277	1.1%

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 2006	FY 2016	Difference	% Difference
Allegany	\$815,009	\$2,001,566	\$1,186,557	145.6%
Anne Arundel	16,524,487	24,126,315	7,601,828	46.0%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	2,002,378	3,361,114	1,358,736	67.9%
Caroline	592,504	475,639	(116,865)	-19.7%
Carroll	2,130,555	2,143,653	13,098	0.6%
Cecil	491,045	741,659	250,614	51.0%
Charles	735,875	1,658,202	922,327	125.3%
Dorchester	69,000	383,676	314,676	456.1%
Frederick	5,405,180	13,149,158	7,743,978	143.3%
Garrett	214,828	367,433	152,605	71.0%
Harford	5,577,284	10,252,686	4,675,402	83.8%
Howard	N/A	N/A	N/A	N/A
Kent	128,508	0	(128,508)	-100.0%
Montgomery	7,256,887	7,656,182	399,295	5.5%
Prince George's	14,288,698	27,293,070	13,004,372	91.0%
Queen Anne's	0	589,847	589,847	
St. Mary's	55,370	42,973	(12,397)	-22.4%
Somerset	0	360,000	360,000	
Talbot	1,806,947	3,911,402	2,104,455	116.5%
Washington	1,382,248	4,205,045	2,822,797	204.2%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
Total	\$59,476,803	\$102,719,619	\$43,242,816	72.7%

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 2016

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Allegany County			
Barton	\$12,064,061	\$1,575,460	\$13,639,521
Cumberland	856,560,465	80,185,090	936,745,555
Frostburg	338,199,333	19,829,310	358,028,643
Lonaconing	25,325,667	4,234,480	29,560,147
Luke	32,559,157	3,379,040	35,938,197
Midland	11,919,985	719,840	12,639,825
Westernport	53,455,578	3,550,600	57,006,178
Anne Arundel County			
Annapolis	\$6,050,638,734	\$181,062,070	\$6,231,700,804
Calvert County			
Chesapeake Beach	\$751,144,893	\$3,379,700	\$754,524,593
North Beach	237,310,465	1,370,780	238,681,245
Caroline County			
Denton	\$351,223,204	\$11,730,200	\$362,953,404
Federalsburg	156,254,866	37,287,760	193,542,626
Goldsboro	11,821,200	404,500	12,225,700
Greensboro	98,383,300	3,195,420	101,578,720
Henderson	4,175,100	135,420	4,310,520
Hillsboro	11,096,038	164,370	11,260,408
Marydel	6,887,483	459,660	7,347,143
Preston	56,611,468	6,009,210	62,620,678
Ridgely	106,478,900	9,082,070	115,560,970
Templeville	1,227,000	28,080	1,255,080
Charles County			
Indian Head	\$233,207,546	\$3,575,410	\$236,782,956
LaPlata	1,143,485,141	33,543,870	1,177,029,011
Port Tobacco	2,400,499	16,140	2,416,639
Dorchester County			
Cambridge	\$731,863,285	\$57,776,250	\$789,639,535
Hurlock	111,533,132	76,245,190	187,778,322

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Frederick County			
Frederick	\$6,959,877,048	\$182,984,980	\$7,142,862,028
Myersville	159,484,864	27,418,200	186,903,064
Garrett County			
Mountain Lake Park	\$106,486,697	\$5,156,300	\$111,642,997
Harford County			
Aberdeen	\$1,366,124,987	\$73,122,560	\$1,439,247,547
Bel Air	1,349,875,680	76,508,290	1,426,383,970
Havre de Grace	1,437,544,486	32,820,150	1,470,364,636
Prince George's County			
Berwyn Heights	\$257,065,610	\$22,640,470	\$279,706,080
Bladensburg	399,445,505	34,691,640	434,137,145
Bowie	6,430,749,334	191,312,230	6,622,061,564
Brentwood	193,838,988	5,274,580	199,113,568
Capitol Heights	251,369,988	13,864,560	265,234,548
Cheverly	554,099,657	43,064,080	597,163,737
College Park	2,219,901,860	124,010,970	2,343,912,830
Colmar Manor	78,803,829	3,701,620	82,505,449
Cottage City	82,118,904	5,219,160	87,338,064
District Heights	318,575,797	7,721,240	326,297,037
Eagle Harbor	6,985,599	26,130	7,011,729
Edmonston	144,201,068	18,556,720	162,757,788
Fairmount Heights	90,908,527	1,623,930	92,532,457
Forest Heights	157,039,000	3,341,710	160,380,710
Glenarden	390,512,931	23,878,660	414,391,591
Greenbelt	1,901,726,725	93,267,540	1,994,994,265
Hyattsville	1,741,490,864	101,970,850	1,843,461,714
Landover Hills	127,772,698	3,628,250	131,400,948
Laurel	2,583,124,135	88,427,000	2,671,551,135
Morningside	82,601,136	4,202,540	86,803,676
Mount Rainier	348,623,843	6,824,750	355,448,593
New Carrollton	672,724,635	30,678,180	703,402,815
North Brentwood	41,782,150	3,521,930	45,304,080
Riverdale Park	558,733,780	25,064,310	583,798,090
Seat Pleasant	259,663,861	11,289,690	270,953,551
University Park	332,221,000	2,801,610	335,022,610
Upper Marlboro	83,226,975	28,043,180	111,270,155
Queen Anne's County			
Centreville	\$508,142,200	\$5,807,480	\$513,949,680
Millington	2,025,500	28,710	2,054,210
Sudlersville	35,607,166	4,724,680	40,331,846

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Talbot County			
Easton	\$2,077,043,090	\$68,004,110	\$2,145,047,200
Oxford	332,880,216	970,620	333,850,836
Queen Anne	7,926,433	86,710	8,013,143
St. Michaels	285,817,739	21,229,140	307,046,879
Trappe	83,934,988	5,264,260	89,199,248
Washington County			
Boonsboro	\$276,918,600	\$8,747,120	\$285,665,720
Clear Spring	21,002,580	2,097,580	23,100,160
Funkstown	47,005,700	2,986,790	49,992,490
Hagerstown	2,528,645,422	120,212,560	2,648,857,982
Hancock	88,679,903	5,531,360	94,211,263
Keedysville	82,810,562	2,059,810	84,870,372
Sharpsburg	39,513,933	1,295,100	40,809,033
Smithsburg	174,337,750	7,010,910	181,348,660
Williamsport	105,121,447	6,523,930	111,645,377

Source: State Department of Assessments and Taxation

Tax Differentials/Tax Rebates by County

Allegany County

During fiscal 2016, 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 2016 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	\$0.0842	\$0.2105	\$13,474
Cumberland	0.1294	0.3236	1,367,868
Frostburg	0.1220	0.3050	473,083
Lonaconing	0.1066	0.2666	38,286
Luke	0.1093	0.2732	44,819
Midland	0.0842	0.2105	11,552
Westernport	0.0842	0.2105	52,484
Total			\$2,001,566

Anne Arundel County

Anne Arundel County set a tax rate differential of \$0.3710 for real property and \$0.927 for personal property for the City of Annapolis in fiscal 2016 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 2016 is \$24.1 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	\$0.3710	\$0.9270	\$24,126,315

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 2016, these tax differentials totaled approximately \$3.4 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	\$2,552,236
North Beach	0.3360	0.8400	808,878
Total			\$3,361,114

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 2016, 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	\$210,734
Federalsburg	0.08	125,004
Goldsboro	0.00	0
Greensboro	0.06	59,030
Henderson	0.00	0
Hillsboro	0.00	0
Marydel	0.00	0
Preston	0.03	16,983
Ridgely	0.06	63,887
Templeville	0.00	0
Total		\$475,639

Carroll County

Carroll County provided its eight municipalities with tax rebates totaling \$2.1 million in fiscal 2016 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	\$281,609
Manchester	244,051
Mount Airy	121,535
New Windsor	56,776
Sykesville	238,547
Taneytown	345,727
Union Bridge	53,969
Westminster	801,439
Total	\$2,143,653

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 \$77,476 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 2016 was \$741,659. The amounts were distributed as follows:

<u>Municipality</u>	<u>General Rebate</u>	<u>Trash Rebate</u>	<u>Total Rebate</u>
Cecilton	\$13,192	\$1,600	\$14,792
Charlestown	36,373	3,439	39,812
Chesapeake City	23,793	2,656	26,449
Elkton	307,207	40,139	347,346
North East	84,240	9,223	93,463
Perryville	129,143	12,393	141,536
Port Deposit	17,389	2,282	19,671
Rising Sun	52,846	5,744	58,590
Total	\$664,183	\$77,476	\$741,659

Charles County

Charles County provided a real property tax rate differential to La Plata and Indian Head in fiscal 2016 totaling \$1.7 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	\$0.0540	\$125,932
La Plata	0.1340	1,532,270
Total		\$1,658,202

Dorchester County

In fiscal 2016, two of Dorchester County's nine municipalities, Cambridge and Hurlock, received tax rate differentials totaling \$377,626. 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	0.0441	322,752	0	322,752
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	0.0492	54,874	0	54,874
Secretary	0.0000	0	1,350	1,350
Vienna	0.0000	0	1,350	1,350
Total		\$377,626	\$6,050	\$383,676

Frederick County

Frederick County provided a real property tax rate differential to Frederick and Myersville totaling \$9.0 million in fiscal 2016. Frederick County provided tax rebates totaling \$4.2 million in fiscal 2016 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 2016 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	\$884,239	\$884,239
Burkittsville	0.0000	0	26,510	26,510
Emmitsburg	0.0000	0	366,372	366,372
Frederick	0.1260	8,769,445	0	8,769,445
Middletown	0.0000	0	555,964	555,964
Mt. Airy	0.0000	0	459,155	459,155
Myersville	0.1298	207,011	0	207,011
New Market	0.0000	0	90,241	90,241
Rosemont	0.0000	0	13,234	13,234
Thurmont	0.0000	0	848,838	848,838
Walkersville	0.0000	0	821,246	821,246
Woodsboro	0.0000	0	106,903	106,903
Total		\$8,976,456	\$4,172,702	\$13,149,158

Garrett County

In fiscal 2016, 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 \$0.0590 in Mountain Lake

Park. The total value of the tax differentials for Mountain Lake Park was \$70,433. 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 \$297,000.

<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>
Accident	\$0.0000	\$0.0000	\$0	\$25,000	\$25,000
Deer Park	0.0000	0.0000	0	25,000	25,000
Friendsville	0.0000	0.0000	0	25,000	25,000
Grantsville	0.0000	0.0000	0	25,000	25,000
Kitzmilller	0.0000	0.0000	0	25,000	25,000
Loch Lynn Heights	0.0000	0.0000	0	25,000	25,000
Mountain Lake Park	0.0590	0.1475	70,433	0	70,433
Oakland	0.0000	0.0000	0	147,000	147,000
Total			\$70,433	\$297,000	\$367,433

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 \$6.8 million in fiscal 2016. The county also provided approximately \$3.4 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>	<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>
Aberdeen	\$0.1483	\$0.3707	\$2,297,029	\$1,093,857	\$3,390,886
Bel Air	0.1483	0.3707	2,285,482	1,098,635	3,384,117
Havre de Grace	0.1483	0.3707	2,253,543	1,224,141	3,477,684
Total			\$6,836,053	\$3,416,633	\$10,252,686

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 \$7.7 million to 17 municipalities and 3 special taxing districts in fiscal 2016. Barnesville, Chevy Chase, Section 5, and the Town of Chevy Chase were the only municipalities that did not receive a tax rebate in fiscal 2016. The tax rebates are based on the county council's appropriation.

<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
Town of Chevy Chase	0
Drummond*	4,613
Friendship Heights*	92,386
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	\$7,656,182

*Denotes a special taxing district.

Prince George's County

In fiscal 2016, Prince George's County provided its 27 municipalities with tax differentials valued at an estimated \$26.6 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	\$0.1240	\$0.2900	\$384,419	\$8,231	\$392,650
Bladensburg	0.1070	0.2490	513,789	22,486	536,275
Bowie	0.1280	0.3000	8,805,296	149,877	8,955,173
Brentwood	0.0730	0.1700	150,469	8,379	158,848
Capitol Heights	0.1150	0.2690	326,371	10,723	337,094
Cheverly	0.1200	0.2800	785,499	18,839	804,338
College Park	0.0310	0.0720	777,457	83,290	860,747
Colmar Manor	0.0930	0.2180	81,357	3,483	84,840
Cottage City	0.1020	0.2390	96,235	3,446	99,681
District Heights	0.1210	0.2820	407,251	20,607	427,858
Eagle Harbor	0.0060	0.0070	421	153	574
Edmonston	0.1020	0.2390	191,436	3,498	194,934
Fairmount Heights	0.0550	0.1280	52,078	3,908	55,986
Forest Heights	0.0910	0.2120	149,990	7,997	157,987
Glenarden	0.1110	0.2600	495,554	16,371	511,925
Greenbelt	0.1390	0.3230	2,944,654	64,151	3,008,805
Hyattsville	0.1340	0.3120	2,651,747	48,082	2,699,829
Landover Hills	0.1130	0.2650	153,998	5,644	159,642
Laurel	0.1630	0.3800	4,546,515	68,781	4,615,296

<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>
Morningside	0.0710	0.1650	65,581	5,518	71,099
Mount Rainier	0.1320	0.3080	481,204	22,179	503,383
New Carrollton	0.1160	0.2720	863,805	33,467	897,272
North Brentwood	0.0040	0.0100	2,023	1,428	3,451
Riverdale Park	0.1330	0.3120	821,317	17,335	838,652
Seat Pleasant	0.1240	0.2900	354,723	14,943	369,666
University Park	0.1230	0.2860	416,644	6,254	422,898
Upper Marlboro	0.0820	0.1920	122,089	2,077	124,166
Total			\$26,641,923	\$651,147	\$27,293,070

Queen Anne's County

In fiscal 2016, three of Queen Anne's County's eight municipalities, Centreville, Millington, and Sudlersville, received tax rate differentials totaling \$452,124. The other five municipalities received tax rebates totaling \$137,723. 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>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
Barclay	\$0.0000	\$0.0000	\$0	\$7,373	\$7,373
Centreville	0.0846	0.0000	429,888	0	429,888
Church Hill	0.0000	0.0000	0	25,842	25,842
Millington	0.0395	0.0000	800	0	800
Queen Anne	0.0000	0.0000	0	3,363	3,363
Queenstown	0.0000	0.0000	0	100,195	100,195
Sudlersville	0.0602	0.0000	21,436	0	21,436
Templeville	0.0000	0.0000	0	950	950
Total			\$452,124	\$137,723	\$589,847

St. Mary's County

St. Mary's County provided a tax rebate in the amount of \$42,973 to the Town of Leonardtown in fiscal 2016 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	\$42,973

Somerset County

Somerset County provided tax rebates in fiscal 2016 to Crisfield and Princess Anne in the amount of \$360,000 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	\$180,000
Princess Anne	180,000
Total	\$360,000

Talbot County

In fiscal 2016, Talbot County provided tax rate differentials totaling \$3.9 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 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	\$0.1330	\$0.3325	\$2,988,581
Oxford	0.1170	0.2925	392,309
Queen Anne	0.0610	0.1525	4,967
St. Michaels	0.1270	0.3175	430,391
Trappe	0.0980	0.2450	95,154
Total			\$3,911,402

Washington County

For fiscal 2016, Washington County provided tax differentials to its nine municipalities for providing services such as police protection, public works, planning and zoning, parks, and road overlay. 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 2016 tax differentials totaled approximately \$4.2 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Boonsboro	\$0.125	\$346,148
Clear Spring	0.125	26,253
Funkstown	0.125	58,757
Hagerstown	0.125	3,160,807
Hancock	0.125	110,850
Keedysville	0.125	103,513
Sharpsburg	0.125	49,392
Smithsburg	0.125	217,922
Williamsport	0.125	131,402
Total		\$4,205,045

Wicomico County

Wicomico County did not provide tax set-offs to its municipalities in fiscal 2016.

Worcester County

Worcester County did not provide tax set-offs to its municipalities in fiscal 2016.

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
Federalburg	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	Frederick		
Hillsboro	1853	Ch. 161	Brunswick	1890	Ch. 577
Marydel	1929	Ch. 38	Burkittsville	1894	Ch. 652
Preston	1892	Ch. 689	Emmitsburg	1824	Ch. 29
Ridgely	1896	Ch. 178	Frederick	1816	Ch. 74
Templeville (also in Queen Anne's)	1865	Ch. 86	Middletown	1833	Ch. 143
Carroll			Mount Airy (also in Carroll)	1894	Ch. 91
Hampstead	1888	Ch. 295	Myersville	1904	Ch. 94
Manchester	1833	Ch. 193	New Market	1878	Ch. 90
Mount Airy (also in Frederick)	1894	Ch. 91	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
Kitzmilller	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 (also in Kent)	1890	Ch. 386
Garrett Park	1898	Ch. 453	Queen Anne	1953	Ch. 17
Glen Echo	1904	Ch. 436	(also in Talbot)		
Kensington	1894	Ch. 621	Queenstown	1892	Ch. 542
Laytonsville	1892	Ch. 497	Sudlersville	1870	Ch. 313
Martin's Additions	1985	Referendum	Templeville	1865	Ch. 86
North Chevy Chase	1996	Referendum	(also in Caroline)		
Poolesville	1867	Ch. 174			
Rockville	1860	Ch. 373	St. Mary's		
Somerset	1906	Ch. 795	Leonardtwn	1858	Ch. 73
Takoma Park	1890	Ch. 480			
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
Talbot			Hebron	1931	Ch. 90
Easton	1790	Ch. 14	Mardela Springs	1906	Ch. 325
Oxford	1852	Ch. 367	Pittsville	1906	Ch. 499
Queen Anne (also in Queen Anne's)	1953	Ch. 17	Salisbury	1854	Ch. 287
St. Michaels	1804	Ch. 82	Sharptown	1874	Ch. 465
Trappe	1827	Ch. 103	Willards	1906	Ch. 195
Washington			Worcester		
Boonsboro	1831	Ch. 139	Berlin	1868	Ch. 424
Clear Spring	1836	Ch. 141	Ocean City	1880	Ch. 209
Funkstown	1840	Ch. 78	Pocomoke City	1878	Ch. 253
Hagerstown	1813	Ch. 121	Snow Hill	1812	Ch. 72
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 2016**

Jurisdiction	Population July 2015	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Allegany					
Barton	435	\$13,474	\$0	\$13,474	\$31
Cumberland	20,130	1,367,868	0	1,367,868	68
Frostburg	8,667	473,083	0	473,083	55
Lonaconing	1,144	38,286	0	38,286	33
Luke	63	44,819	0	44,819	711
Midland	429	11,552	0	11,552	27
Westernport	1,810	52,484	0	52,484	29
Anne Arundel					
Annapolis	39,474	\$24,126,315	\$0	\$24,126,315	\$611
Highland Beach	101	0	0	0	0
Baltimore City					
	621,849	\$0	\$0	\$0	\$0
Baltimore					
	831,128	\$0	\$0	\$0	\$0
Calvert					
Chesapeake Beach	5,873	\$2,552,236	\$0	\$2,552,236	\$435
North Beach	2,014	808,878	0	808,878	402
Caroline					
Denton	4,349	\$210,734	\$0	\$210,734	\$48
Federsburg	2,661	125,004	0	125,004	47
Goldsboro	237	0	0	0	0
Greensboro	1,873	59,030	0	59,030	32
Henderson	143	0	0	0	0
Hillsboro	158	0	0	0	0
Marydel	136	0	0	0	0
Preston	703	16,983	0	16,983	24
Ridgely	1,615	63,887	0	63,887	40
Templeville*	27	0	0	0	0

Appendix 2 (continued)

Jurisdiction	Population July 2015	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Carroll					
Hampstead*	6,359	\$0	\$281,609	\$281,609	\$44
Manchester	4,818	0	244,051	244,051	51
Mount Airy*	5,522	0	121,535	121,535	22
New Windsor	1,400	0	56,776	56,776	41
Sykesville	4,412	0	238,547	238,547	54
Taneytown	6,746	0	345,727	345,727	51
Union Bridge	971	0	53,969	53,969	56
Westminster	18,670	0	801,439	801,439	43
Cecil					
Cecilton	671	\$0	\$14,792	\$14,792	\$22
Charlestown	1,198	0	39,812	39,812	33
Chesapeake City	691	0	26,449	26,449	38
Elkton	15,782	0	347,346	347,346	22
North East	3,723	0	93,463	93,463	25
Perryville	4,437	0	141,536	141,536	32
Port Deposit	659	0	19,671	19,671	30
Rising Sun	2,859	0	58,590	58,590	20
Charles					
Indian Head	3,857	\$125,932	\$0	\$125,932	\$33
La Plata	9,125	1,532,270	0	1,532,270	168
Port Tobacco	13	0	0	0	0
Dorchester					
Brookview	59	\$0	\$450	\$450	\$8
Cambridge	12,507	322,752	0	322,752	26
Church Creek	123	0	425	425	3
East New Market	390	0	1,350	1,350	3
Eldorado	58	0	425	425	7
Galestown	136	0	700	700	5
Hurlock	2,045	54,874	0	54,874	27
Secretary	529	0	1,350	1,350	3
Vienna	276	0	1,350	1,350	5

Appendix 2 (continued)

Jurisdiction	Population July 2015	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Frederick					
Brunswick	6,116	\$0	\$884,239	\$884,239	\$145
Burkittsville	155	0	26,510	26,510	171
Emmitsburg	3,021	0	366,372	366,372	121
Frederick City	69,479	8,769,445	0	8,769,445	126
Middletown	4,469	0	555,964	555,964	124
Mount Airy*	3,858	0	459,155	459,155	119
Myersville	1,708	207,011	0	207,011	121
New Market	697	0	90,241	90,241	129
Rosemont	307	0	13,234	13,234	43
Thurmont	6,454	0	848,838	848,838	132
Walkersville	5,993	0	821,246	821,246	137
Woodsboro	1,196	0	106,903	106,903	89
Garrett					
Accident	316	\$0	\$25,000	\$25,000	\$79
Deer Park	381	0	25,000	25,000	66
Friendsville	476	0	25,000	25,000	53
Grantsville	765	0	25,000	25,000	33
Kitzmilller	310	0	25,000	25,000	81
Loch Lynn Heights	536	0	25,000	25,000	47
Mountain Lake Park	2,111	70,433	0	70,433	33
Oakland	1,875	0	147,000	147,000	78
Harford					
Aberdeen	15,580	\$2,297,029	\$1,093,857	\$3,390,886	\$218
Bel Air	10,190	2,285,482	1,098,635	3,384,117	332
Havre de Grace	13,504	2,253,543	1,224,141	3,477,684	258
Howard					
	313,414	\$0	\$0	\$0	\$0
Kent					
Betterton	325	\$0	\$0	\$0	\$0
Chestertown	5,093	0	0	0	0
Galena	598	0	0	0	0

Appendix 2 (continued)

Jurisdiction	Population July 2015	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Millington*	580	0	0	0	0
Rock Hall	1,303	0	0	0	0
Montgomery					
Barnesville	178	\$0	\$0	\$0	\$0
Brookeville	139	0	6,794	6,794	49
Chevy Chase, Sec. 3	801	0	30,796	30,796	38
Chevy Chase, Sec. 5	693	0	0	0	0
Chevy Chase	2,985	0	0	0	0
Chevy Chase View	977	0	41,275	41,275	42
Chevy Chase Village	2,060	0	100,524	100,524	49
Drummond	0	0	4,613	4,613	0
Friendship Heights	0	0	92,386	92,386	0
Gaithersburg	67,456	0	1,168,467	1,168,467	17
Garrett Park	1,044	0	47,593	47,593	46
Glen Echo	272	0	20,762	20,762	76
Kensington	2,330	0	137,523	137,523	59
Laytonsville	374	0	12,991	12,991	35
Martin's Additions	989	0	26,832	26,832	27
North Chevy Chase	588	0	23,918	23,918	41
Oakmont	0	0	3,278	3,278	0
Poolesville	5,201	0	210,634	210,634	40
Rockville	66,980	0	2,116,671	2,116,671	32
Somerset	1,288	0	52,560	52,560	41
Takoma Park	17,713	0	3,513,643	3,513,643	198
Washington Grove	578	0	44,922	44,922	78
Prince George's					
Berwyn Heights	3,280	\$384,419	\$8,231	\$392,650	\$120
Bladensburg	9,640	513,789	22,486	536,275	56
Bowie	58,025	8,805,296	149,877	8,955,173	154
Brentwood	3,191	150,469	8,379	158,848	50
Capitol Heights	4,574	326,371	10,723	337,094	74
Cheverly	6,485	785,499	18,839	804,338	124
College Park	32,301	777,457	83,290	860,747	27
Colmar Manor	1,469	81,357	3,483	84,840	58

Appendix 2 (continued)

Jurisdiction	Population July 2015	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Cottage City	1,370	96,235	3,446	99,681	73
District Heights	6,144	407,251	20,607	427,858	70
Eagle Harbor	66	421	153	574	9
Edmonston	1,518	191,436	3,498	194,934	128
Fairmount Heights	1,570	52,078	3,908	55,986	36
Forest Heights	2,573	149,990	7,997	157,987	61
Glenarden	6,326	495,554	16,371	511,925	81
Greenbelt	24,272	2,944,654	64,151	3,008,805	124
Hyattsville	18,501	2,651,747	48,082	2,699,829	146
Landover Hills	1,811	153,998	5,644	159,642	88
Laurel	26,215	4,546,515	68,781	4,615,296	176
Morningside	2,086	65,581	5,518	71,099	34
Mt. Rainier	8,475	481,204	22,179	503,383	59
New Carrollton	12,786	863,805	33,467	897,272	70
North Brentwood	540	2,023	1,428	3,451	6
Riverdale Park	7,305	821,317	17,335	838,652	115
Seat Pleasant	4,780	354,723	14,943	369,666	77
University Park	2,665	416,644	6,254	422,898	159
Upper Marlboro	667	122,089	2,077	124,166	186
Queen Anne's					
Barclay	118	\$0	\$7,373	\$7,373	\$62
Centreville	4,627	429,888	0	429,888	93
Church Hill	747	0	25,842	25,842	35
Millington*	37	800	0	800	22
Queen Anne*	126	0	3,363	3,363	27
Queenstown	652	0	100,195	100,195	154
Sudlersville	485	21,436	0	21,436	44
Templeville*	85	0	950	950	11
St. Mary's					
Leonardtwn	3,633	\$0	\$42,973	\$42,973	\$12
Somerset					
Crisfield	2,655	\$0	\$180,000	\$180,000	\$68
Princess Anne	3,303	0	180,000	180,000	54

Appendix 2 (continued)

Jurisdiction	Population July 2015	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Talbot					
Easton	16,617	\$2,988,581	\$0	\$2,988,581	\$180
Oxford	621	392,309	0	392,309	632
Queen Anne*	90	4,967	0	4,967	55
St. Michaels	1,045	430,391	0	430,391	412
Trappe	1,025	95,154	0	95,154	93
Washington					
Boonsboro	3,455	\$346,148	\$0	\$346,148	\$100
Clear Spring	351	26,253	0	26,253	75
Funkstown	884	58,757	0	58,757	66
Hagerstown	40,432	3,160,807	0	3,160,807	78
Hancock	1,550	110,850	0	110,850	72
Keedysville	1,159	103,513	0	103,513	89
Sharpsburg	704	49,392	0	49,392	70
Smithsburg	2,998	217,922	0	217,922	73
Williamsport	2,162	131,402	0	131,402	61
Wicomico					
Delmar	3,056	\$0	\$0	\$0	\$0
Fruitland	5,215	0	0	0	0
Hebron	1,092	0	0	0	0
Mardela Springs	350	0	0	0	0
Pittsville	1,428	0	0	0	0
Salisbury	32,899	0	0	0	0
Sharptown	645	0	0	0	0
Willards	989	0	0	0	0
Worcester					
Berlin	4,529	\$0	\$0	\$0	\$0
Ocean City	7,055	0	0	0	0
Pocomoke City	4,133	0	0	0	0
Snow Hill	2,086	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 2016**

Jurisdiction	County Property Tax Rate	Tax Differential Share of County Tax Rate
Allegany	\$0.978	
Barton	0.894	8.6%
Cumberland	0.849	13.2%
Frostburg	0.856	12.5%
Lonaconing	0.871	10.9%
Luke	0.869	11.2%
Midland	0.894	8.6%
Westernport	0.894	8.6%
Anne Arundel	\$0.923	
Annapolis	0.552	40.2%
Highland Beach	0.923	0.0%
Calvert	\$0.892	
Chesapeake Beach	0.556	37.7%
North Beach	0.556	37.7%
Caroline	\$0.980	
Denton	0.920	6.1%
Federalsburg	0.900	8.2%
Goldsboro	0.980	0.0%
Greensboro	0.920	6.1%
Henderson	0.980	0.0%
Hillsboro	0.980	0.0%
Marydel	0.980	0.0%
Preston	0.950	3.1%
Ridgely	0.920	6.1%
Templeville	0.980	0.0%
Charles	\$1.141	
Indian Head	1.087	4.7%
La Plata	1.007	11.7%
Port Tobacco	1.141	0.0%

Appendix 3 (continued)

Jurisdiction	County Property Tax Rate	Tax Differential Share of County Tax Rate
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	0.927	5.0%
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	0.934	11.9%
Middletown	1.060	0.0%
Mount Airy	1.060	0.0%
Myersville	0.930	12.2%
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%
Kitzmilller	0.990	0.0%
Loch Lynn Heights	0.990	0.0%
Mountain Lake Park	0.931	6.0%
Oakland	0.990	0.0%

Appendix 3 (continued)

Jurisdiction	County Property Tax Rate	Tax Differential Share of County Tax Rate
Harford	\$1.042	
Aberdeen	0.894	14.2%
Bel Air	0.894	14.2%
Havre de Grace	0.894	14.2%
Prince George's	\$1.000	
Berwyn Heights	0.876	12.4%
Bladensburg	0.893	10.7%
Bowie	0.872	12.8%
Brentwood	0.927	7.3%
Capitol Heights	0.885	11.5%
Cheverly	0.880	12.0%
College Park	0.969	3.1%
Colmar Manor	0.907	9.3%
Cottage City	0.898	10.2%
District Heights	0.879	12.1%
Eagle Harbor	0.994	0.6%
Edmonston	0.898	10.2%
Fairmount Heights	0.945	5.5%
Forest Heights	0.909	9.1%
Glenarden	0.889	11.1%
Greenbelt	0.861	13.9%
Hyattsville	0.866	13.4%
Landover Hills	0.887	11.3%
Laurel	0.837	16.3%
Morningside	0.929	7.1%
Mt. Rainier	0.868	13.2%
New Carrollton	0.884	11.6%
North Brentwood	0.996	0.4%
Riverdale Park	0.867	13.3%
Seat Pleasant	0.876	12.4%
University Park	0.877	12.3%
Upper Marlboro	0.918	8.2%

Appendix 3 (continued)

Jurisdiction	County Property Tax Rate	Tax Differential Share of County Tax Rate
Queen Anne's	\$0.847	
Barclay	0.847	0.0%
Centreville	0.763	10.0%
Church Hill	0.847	0.0%
Millington	0.808	4.7%
Queen Anne	0.847	0.0%
Queenstown	0.847	0.0%
Sudlersville	0.787	7.1%
Templeville	0.847	0.0%
Talbot	\$0.536	
Easton	0.403	24.8%
Oxford	0.419	21.8%
Queen Anne	0.475	11.4%
St. Michaels	0.409	23.7%
Trappe	0.438	18.3%
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 2016**

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Allegany	72,528	\$0.978			\$0.978
Barton	435	0.894	\$0.172	-	1.066
Cumberland	20,130	0.849	0.965	-	1.814
Frostburg	8,667	0.856	0.620	-	1.476
Lonaconing	1,144	0.871	0.353	-	1.224
Luke	63	0.869	1.060	-	1.929
Midland	429	0.894	0.280	-	1.174
Westernport	1,810	0.894	0.600	-	1.494
Anne Arundel	564,195	\$0.923			\$0.923
Annapolis	39,474	0.552	\$0.649	-	1.201
Highland Beach	101	0.923	0.406	-	1.329
Baltimore City	621,849	\$2.248			\$2.248
Baltimore	831,128	\$1.100			\$1.100
Calvert	90,595	\$0.892			\$0.892
Chesapeake Beach	5,873	0.556	\$0.360	-	0.916
North Beach	2,014	0.556	0.634	-	1.190
Caroline	32,579	\$0.980			\$0.980
Denton	4,349	0.920	\$0.710	-	1.630
Federalsburg	2,661	0.900	0.820	-	1.720
Goldsboro	237	0.980	0.470	-	1.450
Greensboro	1,873	0.920	0.750	-	1.670
Henderson	143	0.980	0.480	-	1.460
Hillsboro	158	0.980	0.160	-	1.140
Marydel	136	0.980	0.300	-	1.280
Preston	703	0.950	0.360	-	1.310
Ridgely	1,615	0.920	0.590	-	1.510
Templeville*	27	0.980	0.360	-	1.340

Appendix 4 (continued)

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Carroll	167,627	\$1.018			\$1.018
Hampstead	6,359	1.018	\$0.220	-	1.238
Manchester	4,818	1.018	0.216	-	1.234
Mount Airy*	5,522	1.018	0.170	-	1.188
New Windsor	1,400	1.018	0.262	-	1.280
Sykesville	4,412	1.018	0.350	-	1.368
Taneytown	6,746	1.018	0.370	-	1.388
Union Bridge	971	1.018	0.300	-	1.318
Westminster	18,670	1.018	0.560	-	1.578
Cecil	102,382	\$0.991			\$0.991
Cecilton	671	0.991	\$0.220	-	1.210
Charlestown	1,198	0.991	0.333	-	1.324
Chesapeake City	691	0.991	0.449	-	1.440
Elkton	15,782	0.991	0.586	-	1.576
North East	3,723	0.991	0.480	-	1.471
Perryville	4,437	0.991	0.313	-	1.304
Port Deposit	659	0.991	0.551	-	1.542
Rising Sun	2,859	0.991	0.406	-	1.397
Charles	156,118	\$1.141		\$0.064	\$1.205
Indian Head	3,857	1.087	\$0.300	0.064	1.451
La Plata	9,125	1.007	0.320	0.064	1.391
Port Tobacco	13	1.141	0.040	0.064	1.245
Dorchester	32,384	\$0.976			\$0.976
Brookview	59	0.976	\$0.300	-	1.276
Cambridge	12,507	0.932	0.799	-	1.731
Church Creek	123	0.976	0.170	-	1.146
East New Market	390	0.976	0.711	-	1.687
Eldorado	58	0.976	0.190	-	1.166
Galestown	136	0.976	0.310	-	1.286
Hurlock	2,045	0.927	0.835	-	1.762
Secretary	529	0.976	0.320	-	1.296
Vienna	276	0.976	0.480	-	1.456

Appendix 4 (continued)

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Frederick	245,322	\$1.060		-	\$1.060
Brunswick	6,116	1.060	\$0.462	-	1.522
Burkittsville	155	1.060	0.190	-	1.250
Emmitsburg	3,021	1.060	0.360	-	1.420
Frederick	69,479	0.934	0.731	-	1.665
Middletown	4,469	1.060	0.232	-	1.292
Mount Airy*	3,858	1.060	0.170	-	1.230
Myersville	1,708	0.930	0.391	-	1.321
New Market	697	1.060	0.120	-	1.180
Rosemont	307	1.060	0.040	-	1.100
Thurmont	6,454	1.060	0.302	-	1.362
Walkersville	5,993	1.060	0.150	-	1.210
Woodsboro	1,196	1.060	0.126	-	1.186
Garrett	29,460	\$0.990			\$0.990
Accident	316	0.990	\$0.320	-	1.310
Deer Park	381	0.990	0.300	-	1.290
Friendsville	476	0.990	0.320	-	1.310
Grantsville	765	0.990	0.200	-	1.190
Kitzmiller	310	0.990	0.360	-	1.350
Loch Lynn Heights	536	0.990	0.320	-	1.310
Mountain Lake Park	2,111	0.931	0.414	-	1.345
Oakland	1,875	0.990	0.472	-	1.462
Harford	250,290	\$1.042			\$1.042
Aberdeen	15,580	0.894	\$0.660	-	1.554
Bel Air	10,190	0.894	0.500	-	1.394
Havre de Grace	13,504	0.894	0.560	-	1.454
Howard	313,414	\$1.014		\$0.176	\$1.190
Kent	19,787	\$1.022			\$1.022
Betterton	325	1.022	\$0.320	-	1.342
Chestertown	5,093	1.022	0.370	-	1.392
Galena	598	1.022	0.240	-	1.262

Appendix 4 (continued)

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Millington*	580	1.022	0.280	-	1.302
Rock Hall	1,303	1.022	0.320	-	1.342
Montgomery	1,040,116	\$0.723		\$0.276	\$0.999
Barnesville	178	0.723	\$0.051	0.200	0.974
Brookeville	139	0.723	0.200	0.200	1.123
Chevy Chase, Sec. 3	801	0.723	0.020	0.276	1.019
Chevy Chase, Sec. 5	693	0.723	0.000	0.276	0.999
Chevy Chase	2,985	0.723	0.000	0.276	0.999
Chevy Chase View	977	0.723	0.022	0.276	1.021
Chevy Chase Village	2,060	0.723	0.083	0.276	1.082
Gaithersburg	67,456	0.723	0.262	0.177	1.162
Garrett Park	1,044	0.723	0.210	0.273	1.206
Glen Echo	272	0.723	0.140	0.276	1.139
Kensington	2,330	0.723	0.136	0.273	1.132
Laytonsville	374	0.723	0.090	0.200	1.013
Martin's Additions	989	0.723	0.047	0.276	1.046
North Chevy Chase	588	0.723	0.052	0.276	1.051
Poolesville	5,201	0.723	0.170	0.200	1.093
Rockville	66,980	0.723	0.622	0.177	1.522
Somerset	1,288	0.723	0.080	0.276	1.079
Takoma Park	17,713	0.723	0.585	0.273	1.581
Washington Grove	578	0.723	0.286	0.177	1.186
Prince George's	909,535	\$1.000		\$0.374	\$1.374
Berwyn Heights	3,280	0.876	\$0.530	0.374	1.780
Bladensburg	9,640	0.893	0.740	0.374	2.007
Bowie	58,025	0.872	0.400	0.320	1.592
Brentwood	3,191	0.927	0.411	0.374	1.712
Capitol Heights	4,574	0.885	0.462	0.374	1.721
Cheverly	6,485	0.880	0.580	0.374	1.834
College Park	32,301	0.969	0.335	0.374	1.678
Colmar Manor	1,469	0.907	1.310	0.374	2.591
Cottage City	1,370	0.898	0.650	0.374	1.922
District Heights	6,144	0.879	0.949	0.215	2.042
Eagle Harbor	66	0.994	0.480	0.374	1.888

Appendix 4 (continued)

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Edmonston	1,518	0.898	0.660	0.374	1.932
Fairmount Heights	1,570	0.945	0.460	0.374	1.779
Forest Heights	2,573	0.909	0.625	0.374	1.908
Glenarden	6,326	0.889	0.331	0.374	1.594
Greenbelt	24,272	0.861	0.813	0.215	1.889
Hyattsville	18,501	0.866	0.630	0.374	1.870
Landover Hills	1,811	0.887	0.520	0.374	1.781
Laurel	26,215	0.837	0.710	0.158	1.705
Morningside	2,086	0.929	0.740	0.374	2.043
Mt. Rainier	8,475	0.868	0.860	0.374	2.102
New Carrollton	12,786	0.884	0.665	0.374	1.923
North Brentwood	540	0.996	0.440	0.374	1.810
Riverdale Park	7,305	0.867	0.654	0.374	1.895
Seat Pleasant	4,780	0.876	0.580	0.374	1.830
University Park	2,665	0.877	0.653	0.374	1.904
Upper Marlboro	667	0.918	0.240	0.374	1.532
Queen Anne's	48,904	\$0.847			\$0.847
Barclay	118	0.847	\$0.200	-	1.047
Centreville	4,627	0.763	0.380	-	1.143
Church Hill	747	0.847	0.340	-	1.187
Millington*	37	0.808	0.280	-	1.088
Queen Anne*	126	0.847	0.180	-	1.027
Queenstown	652	0.847	0.185	-	1.032
Sudlersville	485	0.787	0.167	-	0.954
Templeville*	85	0.847	0.360	-	1.207
St. Mary's	111,413	\$0.852			\$0.852
Leonardtwn	3,633	0.852	\$0.127	-	0.979
Somerset	25,768	\$1.000			\$1.000
Crisfield	2,655	1.000	\$0.870	-	1.870
Princess Anne	3,303	1.000	1.101	-	2.101
Talbot	37,512	\$0.536			\$0.536
Easton	16,617	0.403	\$0.520	-	0.923

Appendix 4 (continued)

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Oxford	621	0.419	0.295	-	0.714
Queen Anne*	90	0.475	0.180	-	0.655
St. Michaels	1,045	0.409	0.450	-	0.859
Trappe	1,025	0.438	0.290	-	0.728
Washington	149,585	\$0.948			\$0.948
Boonsboro	3,455	0.823	\$0.350	-	1.173
Clear Spring	351	0.823	0.280	-	1.103
Funkstown	884	0.823	0.360	-	1.183
Hagerstown	40,432	0.823	0.913	-	1.736
Hancock	1,550	0.823	0.520	-	1.343
Keedysville	1,159	0.823	0.180	-	1.003
Sharpsburg	704	0.823	0.350	-	1.173
Smithsburg	2,998	0.823	0.350	-	1.173
Williamsport	2,162	0.823	0.485	-	1.308
Wicomico	102,370	\$0.952			\$0.952
Delmar	3,056	0.952	\$0.846	-	1.798
Fruitland	5,215	0.952	0.960	-	1.912
Hebron	1,092	0.952	0.445	-	1.397
Mardela Springs	350	0.952	0.230	-	1.182
Pittsville	1,428	0.952	0.280	-	1.232
Salisbury	32,899	0.952	0.937	-	1.889
Sharptown	645	0.952	0.600	-	1.552
Willards	989	0.952	0.460	-	1.412
Worcester	51,540	\$0.835			\$0.835
Berlin	4,529	0.835	\$0.680	-	1.515
Ocean City	7,055	0.835	0.478	-	1.313
Pocomoke City	4,133	0.835	0.938	-	1.773
Snow Hill	2,086	0.835	0.860	-	1.695

(-)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, 2015

County	County Population	Municipal Population	Percent of County	Rank
Allegany	72,528	32,678	45.1%	3
Anne Arundel	564,195	39,575	7.0%	20
Baltimore City	621,849	0	0.0%	24
Baltimore	831,128	0	0.0%	24
Calvert	90,595	7,887	8.7%	18
Caroline	32,579	11,902	36.5%	7
Carroll	167,627	48,898	29.2%	11
Cecil	102,382	30,020	29.3%	10
Charles	156,118	12,995	8.3%	19
Dorchester	32,384	16,123	49.8%	2
Frederick	245,322	103,453	42.2%	5
Garrett	29,460	6,770	23.0%	14
Harford	250,290	39,274	15.7%	16
Howard	313,414	0	0.0%	24
Kent	19,787	7,899	39.9%	6
Montgomery	1,040,116	172,646	16.6%	15
Prince George's	909,535	248,635	27.3%	12
Queen Anne's	48,904	6,877	14.1%	17
St. Mary's	111,413	3,633	3.3%	21
Somerset	25,768	5,958	23.1%	13
Talbot	37,512	19,398	51.7%	1
Washington	149,585	53,695	35.9%	8
Wicomico	102,370	45,674	44.6%	4
Worcester	51,540	17,803	34.5%	9
Total	6,006,401	931,793	15.5%	

Source: Maryland Department of Planning; Department of Legislative Services

Appendix 6. Local Government Expenditures by Category Fiscal 2014

Category	Total Local Expenditures	Percent of Total	County Expenditures	Municipal Expenditures	Percent County	Percent Municipal
General Government	\$1,764,828,988	5.9%	\$1,598,788,062	\$166,040,926	90.6%	9.4%
Public Safety						
Police	1,926,103,676	6.4%	1,693,991,258	232,112,418	87.9%	12.1%
Fire	1,031,541,447	3.5%	979,341,083	52,200,364	94.9%	5.1%
Corrections	382,790,095	1.3%	382,790,095	-	100.0%	0.0%
Other	379,590,687	1.3%	342,416,168	37,174,519	90.2%	9.8%
Public Works						
Transportation	1,447,806,015	4.8%	1,256,376,870	191,429,145	86.8%	13.2%
Sewer/Solid Waste/Water	2,345,118,218	7.8%	2,038,229,836	306,888,382	86.9%	13.1%
Other	95,665,131	0.3%	8,933,057	86,732,074	9.3%	90.7%
Education						
Public Schools	13,676,948,491	45.8%	13,676,948,491	-	100.0%	0.0%
Community Colleges	1,336,323,938	4.5%	1,336,323,938	-	100.0%	0.0%
Libraries	324,815,834	1.1%	324,815,834	-	100.0%	0.0%
Health/Social Services	1,078,261,205	3.6%	1,078,261,205	-	100.0%	0.0%
Parks and Recreation	753,874,162	2.5%	656,351,230	97,522,932	87.1%	12.9%
Community/Economic Development	883,367,397	3.0%	834,750,240	48,617,157	94.5%	5.5%
Miscellaneous	1,020,077,590	3.4%	967,156,167	52,921,423	94.8%	5.2%
Debt Service	1,429,536,780	4.8%	1,346,015,853	83,520,927	94.2%	5.8%
Total	\$29,876,649,654	100.0%	\$28,521,489,387	\$1,355,160,267	95.5%	4.5%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Appendix 7. Local Government Expenditures by County
Fiscal 2014
(\$ in Millions)

County	County Level	Municipal Level	Total	Percent County	Percent Municipal
Allegany	\$253.3	\$60.2	\$313.5	80.8%	19.2%
Anne Arundel	2,284.7	97.9	2,382.6	95.9%	4.1%
Baltimore City	3,668.2	0.0	3,668.2	100.0%	0.0%
Baltimore	3,277.6	0.0	3,277.6	100.0%	0.0%
Calvert	416.5	11.3	427.8	97.3%	2.7%
Caroline	119.9	15.5	135.4	88.6%	11.4%
Carroll	664.6	51.3	715.9	92.8%	7.2%
Cecil	369.5	39.1	408.5	90.4%	9.6%
Charles	744.4	15.7	760.1	97.9%	2.1%
Dorchester	121.6	23.3	144.8	83.9%	16.1%
Frederick	1,011.2	149.3	1,160.5	87.1%	12.9%
Garrett	136.5	6.6	143.2	95.4%	4.6%
Harford	1,031.6	62.1	1,093.7	94.3%	5.7%
Howard	1,824.9	0.0	1,824.9	100.0%	0.0%
Kent	73.6	10.8	84.4	87.2%	12.8%
Montgomery	6,236.4	206.5	6,442.9	96.8%	3.2%
Prince George's	4,275.3	189.3	4,464.5	95.8%	4.2%
Queen Anne's	207.1	10.5	217.6	95.2%	4.8%
St. Mary's	415.7	4.0	419.7	99.1%	0.9%
Somerset	90.6	10.3	100.9	89.8%	10.2%
Talbot	121.5	81.4	203.0	59.9%	40.1%
Washington	538.1	105.4	643.5	83.6%	16.4%
Wicomico	385.4	62.4	447.8	86.1%	13.9%
Worcester	253.1	142.3	395.4	64.0%	36.0%
Statewide	\$28,521.5	\$1,355.2	\$29,876.6	95.5%	4.5%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Appendix 8. County and Municipal Government Expenditures
Exclusive of Local Board of Education Expenditures
Fiscal 2014
(\$ in Millions)

County	County Level	Municipal Level	Total	Percent County	Percent Municipal
Allegany	\$82.5	\$60.2	\$142.7	57.8%	42.2%
Anne Arundel	918.5	97.9	1,016.4	90.4%	9.6%
Baltimore City	2,167.7	0.0	2,167.7	100.0%	0.0%
Baltimore	1,425.6	0.0	1,425.6	100.0%	0.0%
Calvert	158.7	11.3	170.1	93.3%	6.7%
Caroline	36.0	15.5	51.4	69.9%	30.1%
Carroll	244.1	51.3	295.3	82.6%	17.4%
Cecil	120.0	39.1	159.0	75.4%	24.6%
Charles	290.8	15.7	306.5	94.9%	5.1%
Dorchester	46.6	23.3	69.9	66.7%	33.3%
Frederick	361.7	149.3	511.1	70.8%	29.2%
Garrett	61.1	6.6	67.8	90.2%	9.8%
Harford	424.1	62.1	486.2	87.2%	12.8%
Howard	786.8	0.0	786.8	100.0%	0.0%
Kent	37.2	10.8	48.0	77.6%	22.4%
Montgomery	3,140.5	206.5	3,347.0	93.8%	6.2%
Prince George's	2,137.0	189.3	2,326.3	91.9%	8.1%
Queen Anne's	96.5	10.5	107.0	90.2%	9.8%
St. Mary's	151.8	4.0	155.8	97.5%	2.5%
Somerset	45.9	10.3	56.1	81.7%	18.3%
Talbot	52.2	81.4	133.6	39.0%	61.0%
Washington	161.0	105.4	266.4	60.4%	39.6%
Wicomico	120.4	62.4	182.8	65.9%	34.1%
Worcester	120.5	142.3	262.8	45.9%	54.1%
Statewide	\$13,187.1	\$1,355.2	\$14,542.2	90.7%	9.3%

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

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services