
Local Fiscal Outlook

**Presentation to the
House Ways and Means Committee**



February 1, 2022



Presentation Focus

- Identify key findings and projections for local tax revenues in fiscal 2021 and 2022.
- Discuss the major sources of county revenues and the reliance on own-source revenues and State aid.
- Compare local budget projections in fiscal 2021 with actual revenue attainment with a focus on the local income tax.
- Illustrate the record increases in local general fund balances at the end of fiscal 2021 and why they should continue to increase in fiscal 2022.
- Identify key factors driving local property and income taxes including a summary of the property reassessment process and how current property reassessments will affect local property tax revenues in the future.
- Provide a walk through of the Reference Guide to Local Government Reports and indicate how to access the local government and State aid portal on the Department of Legislative Services website.



Key Findings and Projections

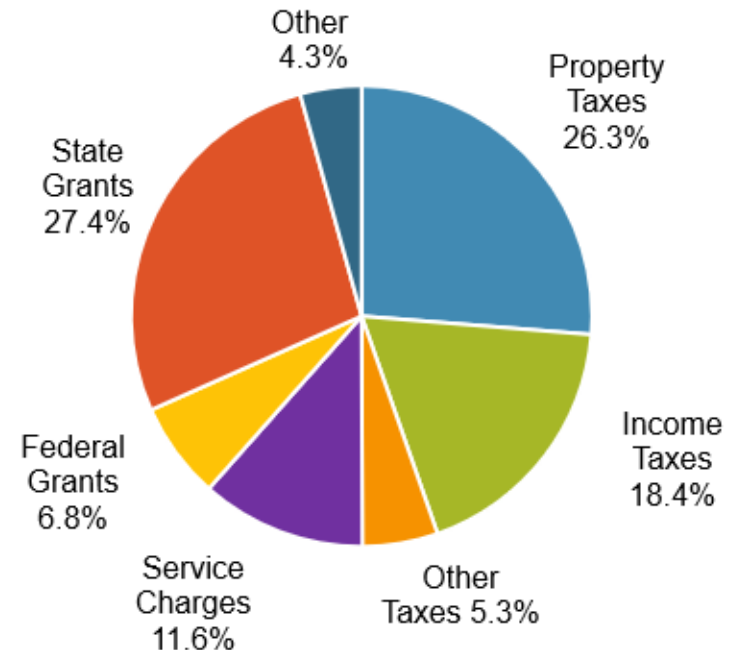
- Due to the fiscal uncertainty resulting from the COVID-19 pandemic, local governments took a more cautious approach in developing their revenue estimates in the past two fiscal years.
- Revenue projections for the fiscal 2021 adopted budgets were finalized at the onset of the global pandemic when the full magnitude of the health crisis was relatively unknown.
- Since that time, several counties revised their original fiscal 2021 budget projections upward, as the State economy continued to perform better than what was originally anticipated at the start of the pandemic.
- Even with these revisions and the improved economic outlook, the adopted local budgets in many jurisdictions for both fiscal 2021 and 2022 continue to underestimate revenue collections for major local taxes.
- Actual local revenue attainment for fiscal 2021 exceeded projections in several major tax categories, particularly the local income tax.
- Based on a review of audit reports for 14 counties, local income tax revenues in fiscal 2021 increased by 11.0%, or \$521.9 million. This contrasts to the 0.7% decrease that was forecasted in the adopted budgets. The largest overall increases occurred in Anne Arundel, Baltimore, Howard, and Montgomery counties. On a percentage basis, the highest over attainment occurred in Washington and Worcester counties.
- As a result, county governments realized record increases in their general fund balances at the end of fiscal 2021. As fiscal 2022 comes to a close, county governments should once again realize significant increases in their general fund balances as actual revenue collections from major taxes continue to outperform budgeted revenue projections.



Sources of County Revenues

- County governments collected \$33.6 billion in revenues in fiscal 2020, excluding debt proceeds.
- State aid is the largest revenue source in 13 counties, accounting for 27.4% of total revenues in fiscal 2020.
- Property tax is the largest revenue source in 11 counties, accounting for 26.3% of total revenues.
- Income tax is the third largest revenue source for most counties, accounting for 18.4% of total revenues.
- In 4 counties, the income tax is the second largest revenue source after property taxes.

Sources of County Revenue
Statewide Average
Fiscal 2020

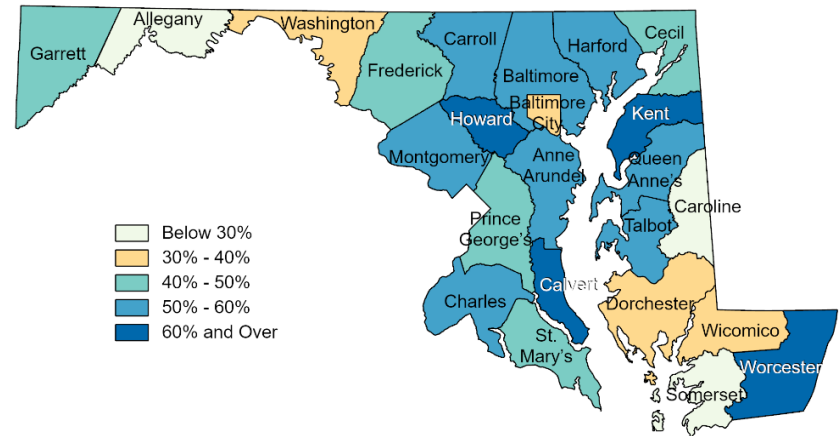




Local Own-source Revenues

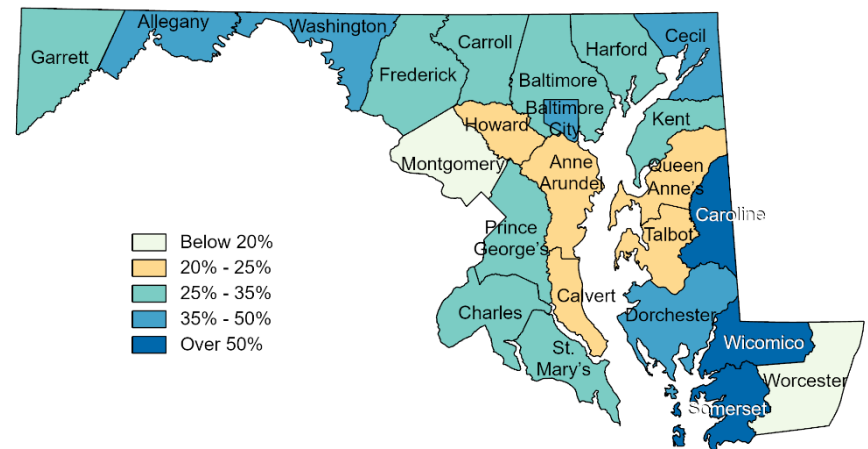
Percent of Total County Revenues – Local Taxes Fiscal 2020

- Own-source revenues include locally generated revenues such as property taxes, income taxes, and service charges.
- Local taxes account for the largest share of own-source revenues.



Percent of Total County Revenues – State Grants Fiscal 2020

- Many of the State's less affluent jurisdictions receive a lower percentage of funding from local sources and a higher percentage from the State and federal government.
- The reliance on State aid ranges from 16.4% in Worcester County to 54.3% in Caroline County. Somerset and Wicomico counties also rely on State aid for at least 50% of their total revenues.





County Budget Projections in Fiscal 2021 and 2022

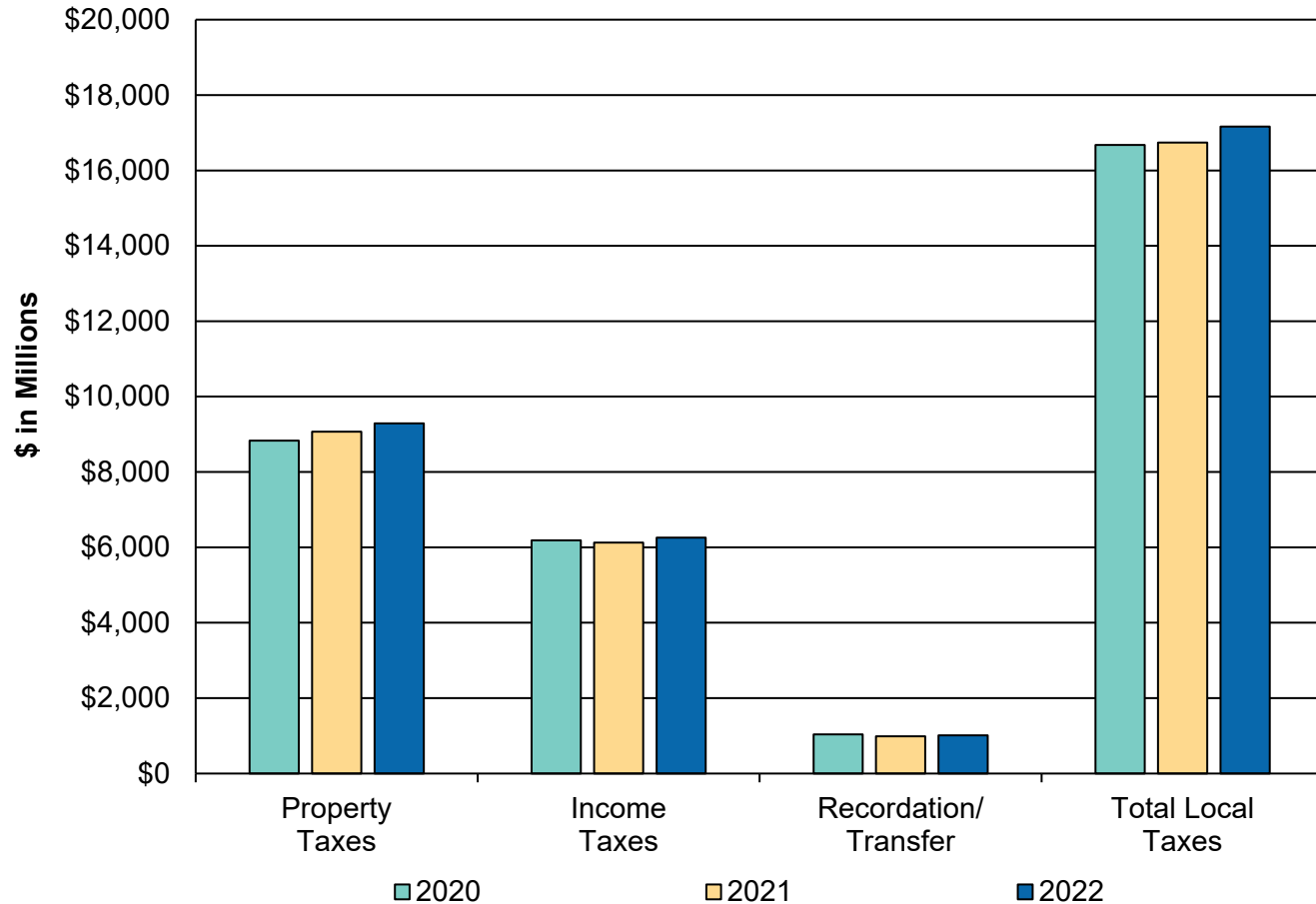
County Revenues – Annual Percent Change

	<u>2020-2021</u>	<u>2021-2022</u>	<u>Two-year Average</u>
Property Taxes	2.7%	2.4%	2.6%
Income Taxes	-0.9%	2.1%	0.6%
Recordation Taxes	-8.4%	5.1%	-1.9%
Transfer Taxes	-1.4%	0.5%	-0.5%
Hotel Rental Taxes	-40.3%	50.6%	-5.2%
Admissions Taxes	-55.6%	99.7%	-5.8%
Other Local Taxes	-2.6%	0.9%	-0.9%
Total Local Taxes	0.4%	2.5%	1.4%
General Fund Revenues	0.3%	2.4%	1.3%



Local Revenue Projections Constrained by COVID-19

Fiscal 2020-2022





State Income Tax Estimates Reflect Improved Forecast

State and Local Income Tax Collections (\$ in Millions)

	<u>Actual FY 2020</u>	<u>Actual FY 2021</u>	<u>Estimate FY 2022</u>	<u>Estimate FY 2023</u>
State	\$10,699	\$11,705	\$12,058	\$12,915
\$ Diff.		1,006	353	857
% Diff.		9.4%	3.0%	7.1%
	<u>Actual FY 2020</u>	<u>Estimate FY 2021</u>	<u>Estimate FY 2022</u>	
Local	\$6,185	\$6,127	\$6,258	
\$ Diff.		-58	131	
% Diff.		-0.9%	2.1%	



Actual Local Revenue Attainment in Fiscal 2021

Local Income Tax Collections

Fiscal 2021
(\$ in Millions)

County	Estimate	Actual	Difference	Percent Difference
Anne Arundel	\$630.2	\$693.3	\$63.1	10.0%
Baltimore	867.3	960.7	93.4	10.8%
Caroline	18.1	22.2	4.1	22.9%
Carroll	167.0	179.2	12.2	7.3%
Cecil	64.0	81.3	17.3	27.1%
Frederick	236.2	289.5	53.3	22.5%
Harford	257.2	290.4	33.2	12.9%
Howard	482.1	577.1	95.0	19.7%
Kent	14.3	16.4	2.2	15.4%
Montgomery	1,707.7	1,820.2	112.5	6.6%
St. Mary's	108.0	127.9	19.9	18.5%
Talbot	28.5	35.5	7.0	24.6%
Washington	88.5	119.3	30.8	34.8%
Worcester	26.5	35.8	9.3	35.2%
Total	\$4,695.4	\$5,248.8	\$553.3	11.8%



Local Income Tax Collections Exceed Projections

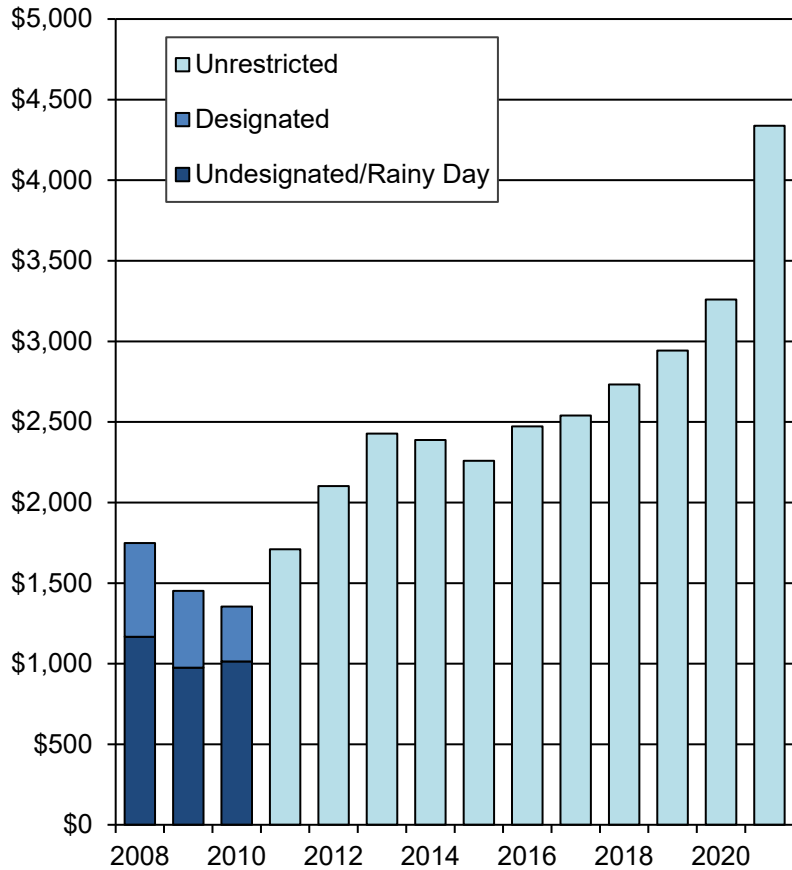
Local Income Tax Collections Fiscal 2020 and 2021 (\$ in Millions)

County	2020 Actual	2021 Estimate	Difference	Percent Difference	2021 Actual	Difference	Percent Difference
Anne Arundel	\$607.0	\$630.2	\$23.2	3.8%	\$693.3	\$86.3	14.2%
Baltimore	862.7	867.3	4.6	0.5%	960.7	98.0	11.4%
Caroline	16.7	18.1	1.3	7.8%	22.2	5.4	32.5%
Carroll	172.2	167.0	-5.2	-3.0%	179.2	7.0	4.0%
Cecil	67.9	64.0	-4.0	-5.8%	81.3	13.4	19.7%
Frederick	246.9	236.2	-10.7	-4.3%	289.5	42.6	17.2%
Harford	245.7	257.2	11.5	4.7%	290.4	44.7	18.2%
Howard	521.9	482.1	-39.8	-7.6%	577.1	55.2	10.6%
Kent	15.7	14.3	-1.4	-9.1%	16.4	0.8	4.9%
Montgomery	1,700.6	1,707.7	7.1	0.4%	1,820.2	119.6	7.0%
St. Mary's	107.3	108.0	0.6	0.6%	127.9	20.6	19.2%
Talbot	41.1	28.5	-12.6	-30.7%	35.5	-5.6	-13.7%
Washington	92.2	88.5	-3.7	-4.0%	119.3	27.1	29.4%
Worcester	28.9	26.5	-2.4	-8.3%	35.8	6.9	24.0%
Total	\$4,726.9	\$4,695.4	-\$31.4	-0.7%	\$5,248.8	\$521.9	11.0%

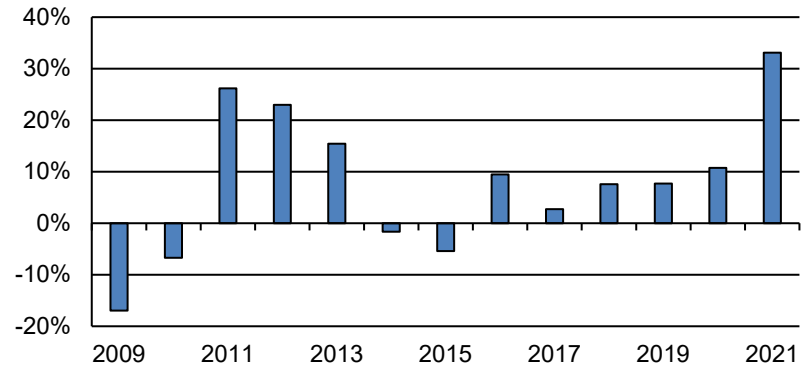


Local General Fund Balances

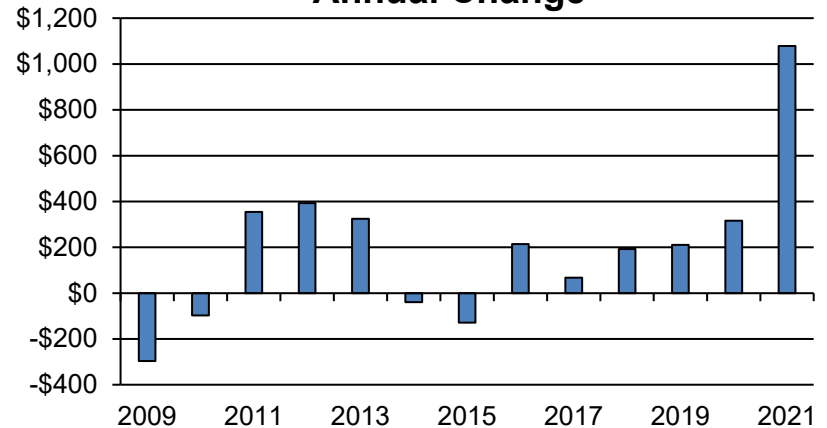
(\$ in Millions)



Annual Percent Change



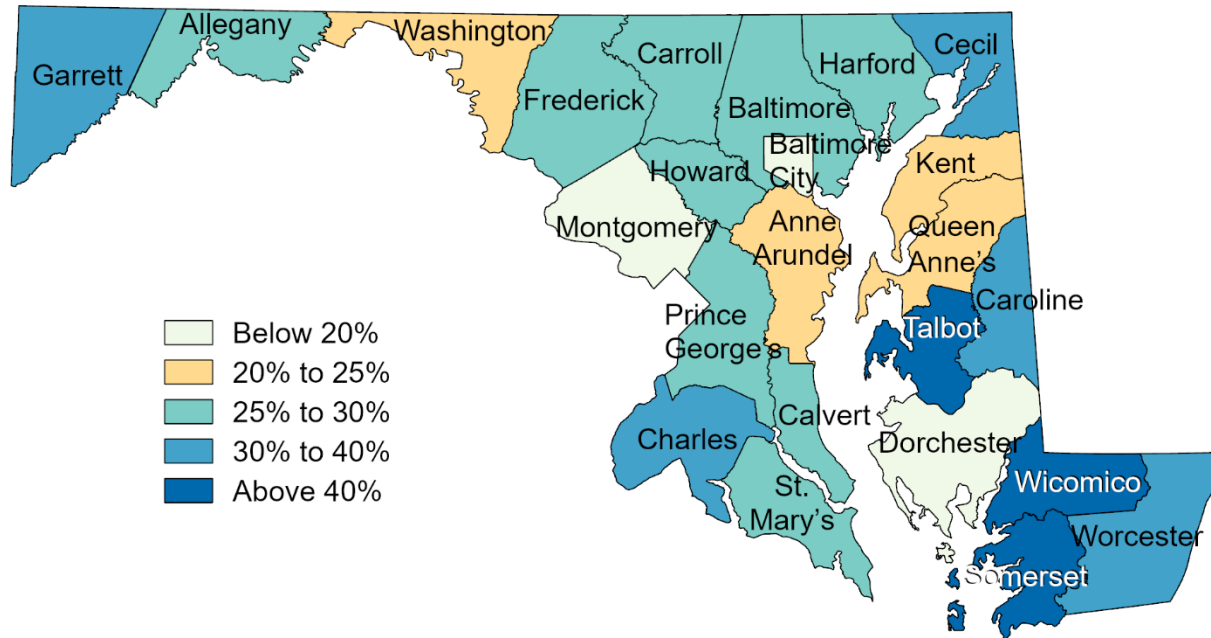
Annual Change





Local Fund Balance as Percent of General Fund Revenues

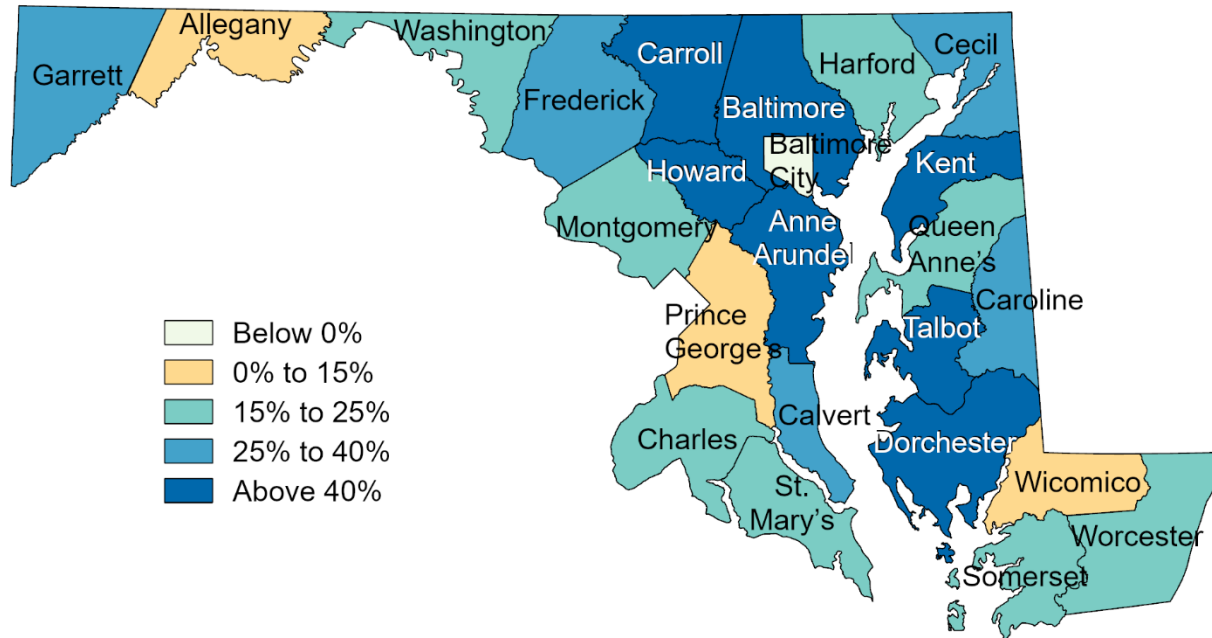
County Unrestricted General Fund Balances and Rainy Day Funds
Percent of General Fund
Fiscal 2021





Increase in Local Fund Balance Since Start of COVID-19

County Unrestricted General Fund Balances and Rainy Day Funds
Average Annual Change (Two-year Period)
Fiscal 2019-2021





Factors Driving Local Revenues

- Property and income taxes account for around 90% of local tax revenues.
- With local property and income tax rates remaining relatively stable in most years, the primary driver for increased local tax revenues is the annual growth in the property and local income tax base.

Property Tax

- The property tax base is comprised of the county assessable base, which includes both real and personal property.
- Due to the **triennial assessment process** (by which one-third of the property base within a jurisdiction is reassessed every 3 years) and **homestead assessment caps**, the property tax has remained a relatively stable and predictable revenue source for county governments.
- County property tax revenues have increased at an average annual rate of 4% between fiscal 2016 and 2020. With property assessments forecasted to remain positive in the near term, local governments should continue to realize considerable growth in this major revenue source.

Income Tax

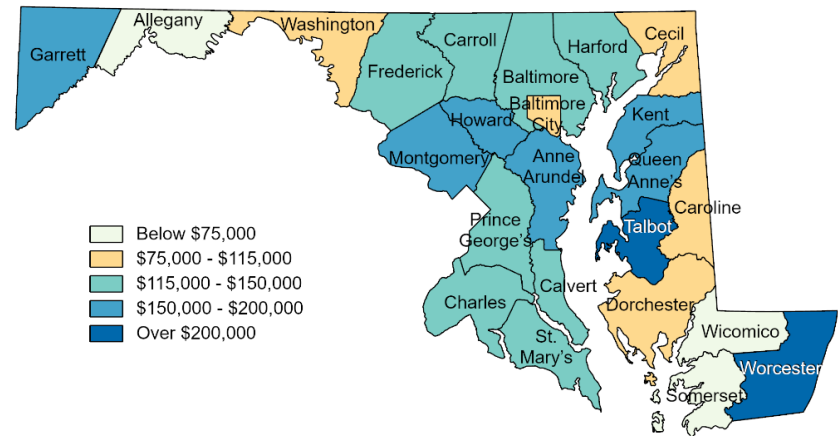
- Local income tax collections tend to mirror the annual growth in State income tax revenues.
- Based on the current Board of Revenue Estimates revenue forecast, State income tax revenues are projected to increase by 3.0% in fiscal 2022 and by 7.1% in fiscal 2023.
- Assuming the growth in local income tax revenues continues to track the overall growth in State collections, local income tax revenues should also continue to increase in the near term.



Factors Driving Property Taxes

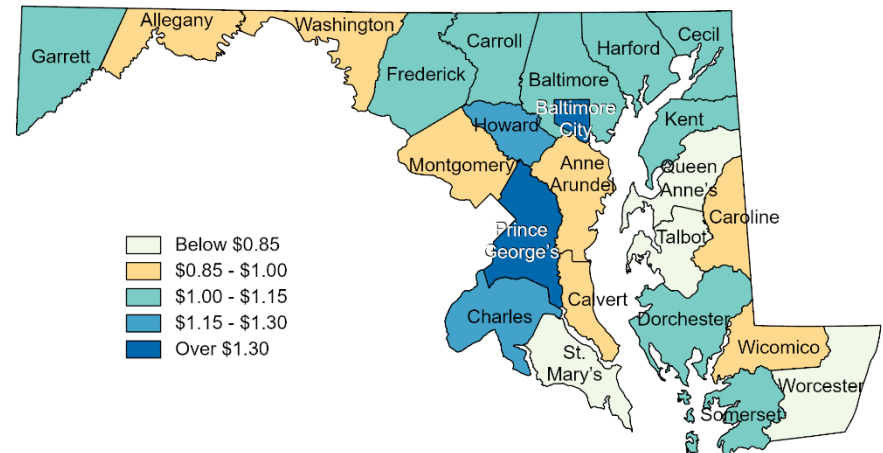
Property Tax Revenue – Per Capita Assessable Base Fiscal 2022

- The larger the property tax base in a county, the more revenue that can be derived with an increase in the local property tax rate.
- A one-cent increase in the real property tax rate in Talbot County generates \$772,200, whereas it generates only \$139,400 in Somerset County, even though they both have a comparable number of residents.



County Property Tax Rates Fiscal 2022

- Seven counties decreased property tax rates in fiscal 2022: Anne Arundel, Calvert, Cecil, Harford, Kent, Montgomery, and Wicomico.
- Talbot County was the only jurisdiction to increase property tax rates.
- Real property tax rates range from \$0.6565 per \$100 of assessed value in Talbot County to \$2.248 in Baltimore City.

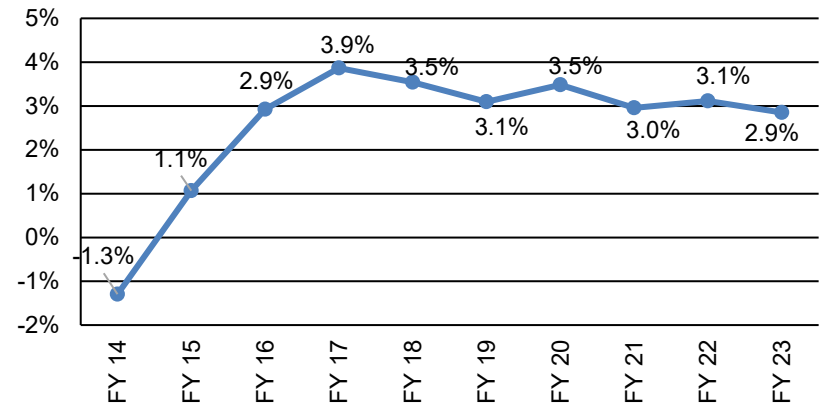




County Assessable Base Growth Remains Modest

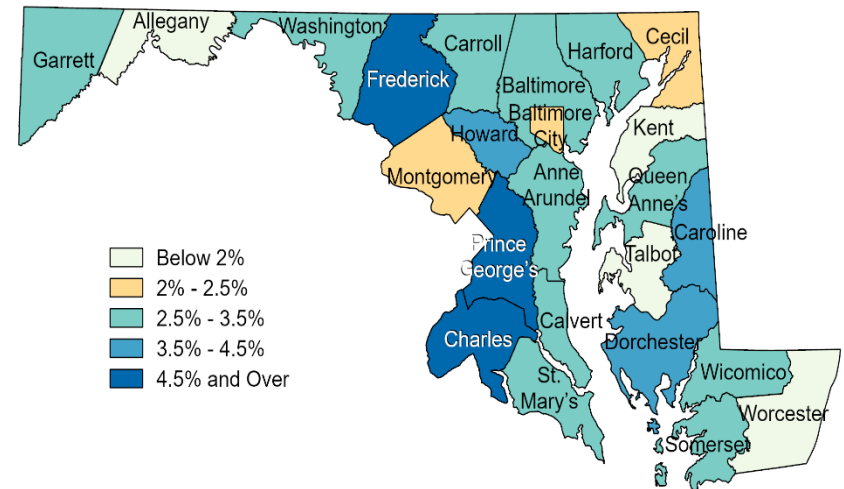
County Assessable Base Growth Over 10-year Period

- Local property tax revenue is driven primarily by the growth in the property tax base.
- Based on the State Department of Assessments and Taxation projections, the local property tax base will increase by 3.1% in fiscal 2022 and by 2.9% in fiscal 2023. This tracks the overall annual growth rate over the past 6 years.



County Assessable Base Growth Fiscal 2022

- In fiscal 2022, the annual increase in property assessments ranges from 1.6% in Allegany County to over 5% in Frederick and Prince George's counties.
- Most counties will realize annual growth in the range of 2.5% to 3.5%.

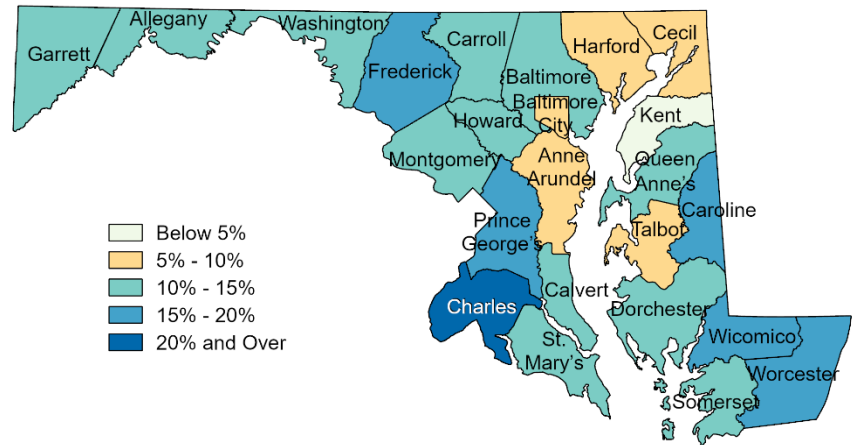




Property Reassessments Released in January 2022

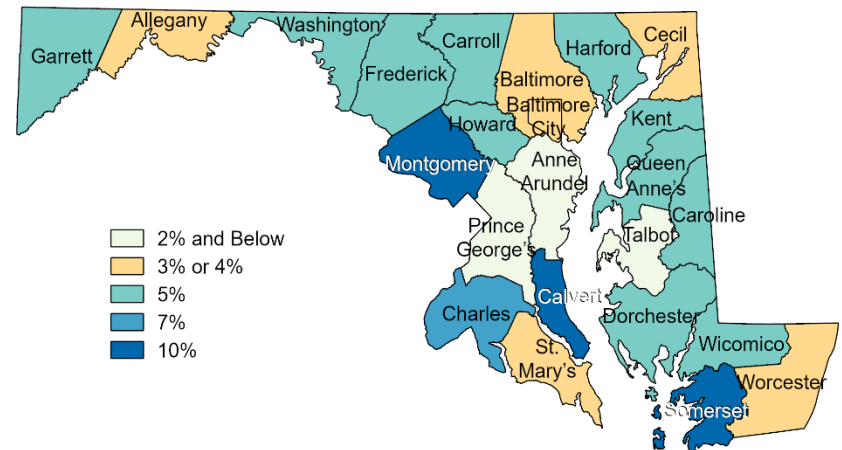
Full Cash Value Change in Group 1 January 2019 to January 2022

- Property reassessments that occurred during calendar 2021 will affect the local property tax base starting in fiscal 2023. Affected properties were included in Group 1.
- Property reassessments averaged 12% statewide, with reassessments exceeding 15% in 6 counties. Charles County realized the highest increase at 23.4%, or 7.8% on an annualized basis.
- Property reassessments were below 10% in 6 jurisdictions, with Kent County realizing the lowest increase at 4.5%, or 1.5% on an annualized basis.



County Property Assessment Caps Fiscal 2022

- Growth in property reassessments may be limited by the Homestead Property Tax Credit Program, which provides a cap on annual assessment increases.
- State assessment cap is set at 10%. Local governments can set the assessment cap between 0% and 10%.
- Most county governments have set assessment caps below 10%. In Talbot County, the cap is set at 0%.

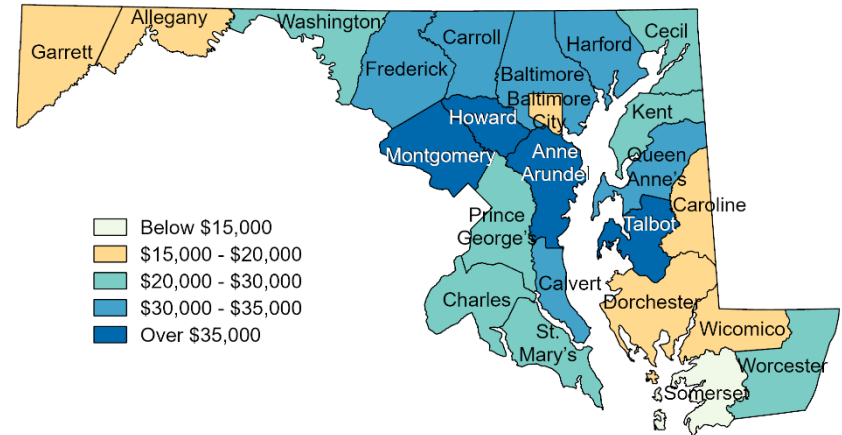




Factors Driving Income Taxes

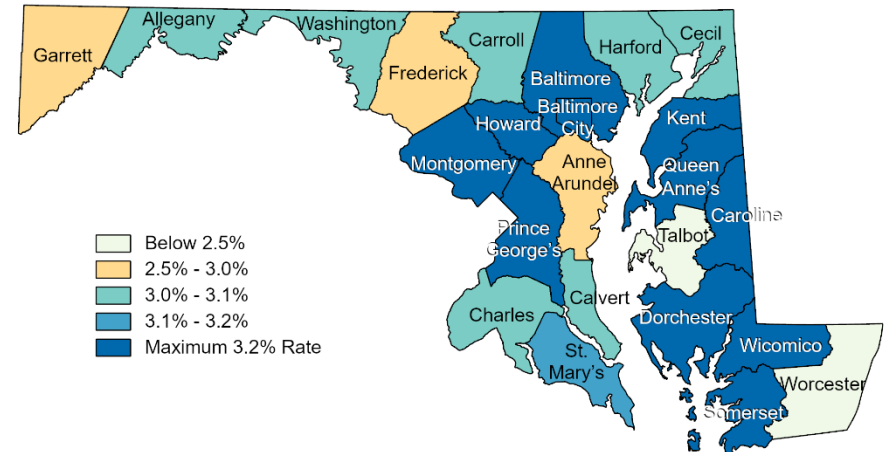
Per Capita Net Taxable Income Tax Year 2020

- Net taxable income is the tax base used in determining local income tax liability.
- Montgomery and Howard counties lead the State in per capita net taxable income followed by Talbot and Anne Arundel counties.
- Somerset County had the lowest per capita net taxable income, followed by Allegany, Dorchester, and Wicomico counties.



Local Income Tax Rates Calendar 2022

- County governments are authorized to set a local income tax rate of between 1% and 3.2%.
- 11 jurisdictions currently impose the maximum rate, with 5 located in the Washington-Baltimore corridor and 6 located on the Eastern Shore.
- Two counties decreased local income tax rates in calendar 2022: St. Mary's and Washington.

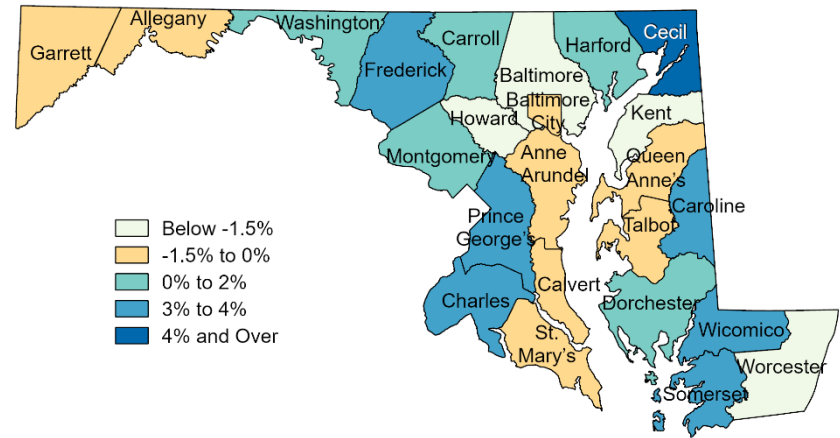




Net Taxable Income Growth Varies Across State

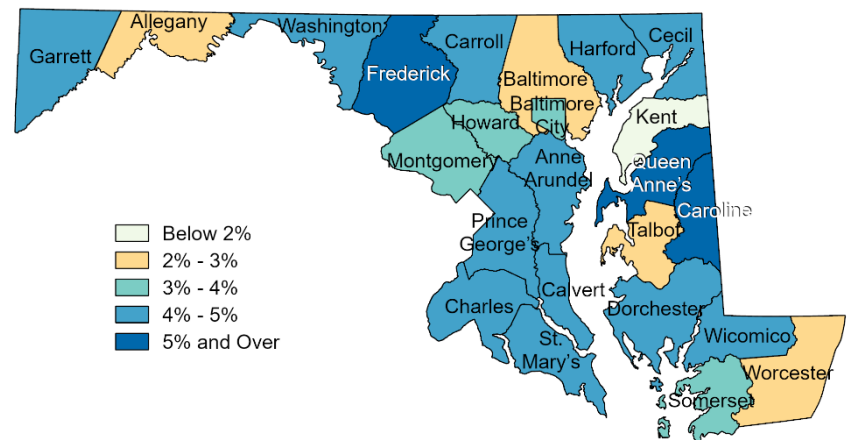
Net Taxable Income Growth Tax Year 2019-2020

- Net taxable income increased slightly in tax year 2020, with the statewide increase at 0.2%. In comparison, the annual growth rate in the preceding 5-year period ranged from 1.4% in tax year 2016 to 9.1% in tax year 2018.
- On a county basis, the annual change in net taxable income decreased in 12 jurisdictions, with sizeable decreases in 4 counties.
- In contrast, 7 counties realized annual growth of at least 3%.



Net Taxable Income Growth Average Annual Change Over Five-year Period Tax Year 2015-2020

- Net taxable income steadily increased for most jurisdictions over the past 5 years, with the average annual increase ranging from 1.8% in Kent County to over 5% in Frederick, Queen Anne's, and Caroline counties.
- On a statewide basis, net taxable income increased by 3.7% over the 5-year period.





Data Tables

- County Revenues by Source for Fiscal 2020
- Property Tax Rates and Revenue Amounts
- Local Income Tax Rates and Revenue Amounts
- Recordation Tax Rates and Revenue Amounts
- Local Transfer Tax Rates and Revenue Amounts
- Hotel Rental Tax Rates and Revenue Amounts
- Admissions and Amusement Tax Rates and Revenue Amounts
- Other Local Taxes

County Revenues by Source for Fiscal 2020

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other
Allegany	15.7%	10.5%	1.4%	8.3%	11.3%	47.8%	4.9%
Anne Arundel	28.2%	21.4%	6.3%	12.3%	5.1%	22.9%	3.8%
Baltimore City	20.7%	8.9%	5.3%	14.5%	7.3%	38.6%	4.7%
Baltimore	25.4%	21.5%	4.2%	11.2%	8.2%	25.4%	4.1%
Calvert	39.1%	18.9%	2.5%	7.2%	4.7%	24.6%	3.0%
Caroline	16.9%	10.6%	2.0%	3.1%	9.0%	54.3%	4.0%
Carroll	30.0%	24.0%	3.8%	4.7%	5.2%	27.7%	4.6%
Cecil	27.2%	15.3%	2.2%	7.1%	8.8%	35.7%	3.7%
Charles	28.7%	16.4%	5.3%	10.4%	5.8%	29.9%	3.4%
Dorchester	21.6%	10.5%	3.0%	5.0%	8.8%	48.5%	2.6%
Frederick	25.3%	18.7%	3.6%	14.6%	4.7%	29.0%	4.1%
Garrett	34.2%	8.9%	5.6%	7.3%	11.2%	27.1%	5.7%
Harford	27.7%	21.2%	3.8%	7.4%	6.9%	26.5%	6.5%
Howard	32.9%	24.4%	5.9%	8.2%	4.1%	20.0%	4.4%
Kent	38.8%	19.1%	2.5%	4.1%	8.1%	25.2%	2.3%
Montgomery	27.0%	24.2%	6.8%	13.3%	6.9%	17.4%	4.2%
Prince George's	26.0%	12.8%	5.9%	12.6%	6.8%	31.1%	4.8%
Queen Anne's	28.9%	24.8%	3.8%	8.7%	5.6%	24.0%	4.1%
St. Mary's	22.4%	21.2%	3.8%	9.7%	8.1%	31.5%	3.3%
Somerset	15.4%	6.9%	0.7%	5.7%	18.4%	50.4%	2.5%
Talbot	26.0%	24.0%	7.2%	7.1%	9.6%	23.0%	3.2%
Washington	21.5%	15.3%	2.4%	6.6%	8.7%	42.6%	2.9%
Wicomico	15.7%	12.9%	1.4%	6.9%	9.6%	50.8%	2.8%
Worcester	50.2%	10.2%	4.8%	9.5%	4.4%	16.4%	4.5%
Statewide	26.3%	18.4%	5.3%	11.6%	6.8%	27.4%	4.3%

Source: Local Government Finances in Maryland

Property Tax Rates and Revenue Amounts

County	Population	County Tax Rates		Revenues	Per Capita Revenues	Per Capita Ranking
		FY 2021	FY 2022	FY 2022		
Allegany	70,057	\$0.9750	\$0.9750	\$43,203,917	\$617	24
Anne Arundel	582,777	0.9340	0.9330	849,805,300	1,458	10
Baltimore City	586,131	2.2480	2.2480	969,960,000	1,655	7
Baltimore	826,017	1.1000	1.1000	1,072,947,439	1,299	14
Calvert	93,072	0.9320	0.9270	202,779,574	2,179	3
Caroline	33,492	0.9800	0.9800	28,097,200	839	21
Carroll	169,092	1.0180	1.0180	230,421,265	1,363	13
Cecil	103,419	1.0414	1.0279	127,057,853	1,229	17
Charles	164,436	1.2050	1.2050	261,741,200	1,592	8
Dorchester	31,853	1.0000	1.0000	32,087,723	1,007	19
Frederick	265,161	1.0600	1.0600	372,021,138	1,403	12
Garrett	28,852	1.0560	1.0560	54,800,573	1,899	4
Harford	256,805	1.0420	1.0279	331,112,000	1,289	15
Howard	328,200	1.2500	1.2500	800,248,869	2,438	2
Kent	19,192	1.0220	1.0120	31,877,575	1,661	6
Montgomery	1,051,816	0.9912	0.9905	1,884,667,305	1,792	5
Prince George's	909,612	1.3740	1.3740	1,386,423,421	1,524	9
Queen Anne's	51,167	0.8471	0.8471	71,972,144	1,407	11
St. Mary's	114,687	0.8478	0.8478	118,982,399	1,037	18
Somerset	25,453	1.0000	1.0000	17,955,606	705	22
Talbot	36,972	0.6372	0.6565	47,148,496	1,275	16
Washington	151,146	0.9480	0.9480	134,671,240	891	20
Wicomico	103,990	0.9286	0.9195	70,379,746	677	23
Worcester	52,403	0.8450	0.8450	148,385,337	2,832	1
Total	6,055,802			\$9,288,747,320	\$1,534	

Source: Department of Legislative Services, County Budgets

Local Income Tax Rates and Revenue Amounts

County	Population	County Tax Rates		Revenues FY 2022	Per Capita Revenues	Per Capita Ranking
		CY 2021	CY 2022			
Allegany	70,057	3.05%	3.05%	\$28,933,832	\$413	23
Anne Arundel	582,777	2.81%	2.81%	647,400,000	1,111	4
Baltimore City	586,131	3.20%	3.20%	385,620,000	658	15
Baltimore	826,017	3.20%	3.20%	871,118,138	1,055	6
Calvert	93,072	3.00%	3.00%	101,500,000	1,091	5
Caroline	33,492	3.20%	3.20%	18,050,000	539	20
Carroll	169,092	3.03%	3.03%	177,118,700	1,047	8
Cecil	103,419	3.00%	3.00%	65,561,000	634	17
Charles	164,436	3.03%	3.03%	148,000,000	900	11
Dorchester	31,853	3.20%	3.20%	15,968,894	501	21
Frederick	265,161	2.96%	2.96%	264,578,574	998	10
Garrett	28,852	2.65%	2.65%	13,700,000	475	22
Harford	256,805	3.06%	3.06%	268,250,000	1,045	9
Howard	328,200	3.20%	3.20%	492,337,000	1,500	2
Kent	19,192	3.20%	3.20%	15,000,000	782	12
Montgomery	1,051,816	3.20%	3.20%	1,708,841,800	1,625	1
Prince George's	909,612	3.20%	3.20%	633,518,700	696	14
Queen Anne's	51,167	3.20%	3.20%	61,238,067	1,197	3
St. Mary's	114,687	3.17%	3.10%	120,750,966	1,053	7
Somerset	25,453	3.20%	3.20%	7,800,000	306	24
Talbot	36,972	2.40%	2.40%	27,000,000	730	13
Washington	151,146	3.20%	3.00%	99,282,670	657	16
Wicomico	103,990	3.20%	3.20%	56,400,000	542	19
Worcester	52,403	2.25%	2.25%	30,000,000	572	18
Total	6,055,802			\$6,257,968,341	\$1,033	

Source: Department of Legislative Services, County Budgets

Recordation Tax Rates and Revenue Amounts

County	Population	County Tax Rates		Revenues FY 2022	Per Capita Revenues	Per Capita Ranking
		FY 2021	FY 2022			
Allegany	70,057	\$3.50	\$3.50	\$1,400,000	\$20	24
Anne Arundel	582,777	3.50	3.50	51,000,000	88	7
Baltimore City	586,131	5.00	5.00	39,612,000	68	11
Baltimore	826,017	2.50	2.50	33,945,000	41	21
Calvert	93,072	5.00	5.00	7,500,000	81	8
Caroline	33,492	5.00	5.00	2,000,000	60	18
Carroll	169,092	5.00	5.00	13,500,000	80	9
Cecil	103,419	4.10	4.10	6,400,000	62	16
Charles	164,436	5.00	5.00	16,000,000	97	6
Dorchester	31,853	5.00	5.00	2,100,000	66	13
Frederick	265,161	6.00	7.00	47,925,001	181	1
Garrett	28,852	3.50	3.50	1,750,000	61	17
Harford	256,805	3.30	3.30	17,820,000	69	10
Howard	328,200	2.50	2.50	21,700,000	66	12
Kent	19,192	3.30	3.30	1,220,000	64	14
Montgomery	1,051,816	4.45	4.45	147,154,466	140	5
Prince George's	909,612	2.75	2.75	51,000,000	56	19
Queen Anne's	51,167	4.95	4.95	7,200,000	141	4
St. Mary's	114,687	4.00	4.00	7,250,000	63	15
Somerset	25,453	3.30	3.30	700,000	28	23
Talbot	36,972	6.00	6.00	5,435,000	147	3
Washington	151,146	3.80	3.80	6,500,000	43	20
Wicomico	103,990	3.50	3.50	3,700,000	36	22
Worcester	52,403	3.30	3.30	9,000,000	172	2
Total	6,055,802			\$501,811,467	\$83	

Source: Department of Legislative Services, County Budgets

Local Transfer Tax Rates and Revenue Amounts

County	Population	County Tax Rates		Revenues FY 2022	Per Capita Revenues	Per Capita Ranking
		FY 2021	FY 2022			
Allegany	70,057	0.50%	0.50%	\$550,000	\$8	19
Anne Arundel	582,777	1.00%	1.00%	54,000,000	93	6
Baltimore City	586,131	1.50%	1.50%	43,995,500	75	8
Baltimore	826,017	1.50%	1.50%	75,200,000	91	7
Calvert	93,072	0.00%	0.00%	0	0	20
Caroline	33,492	0.50%	0.50%	600,000	18	17
Carroll	169,092	0.00%	0.00%	0	0	20
Cecil	103,419	0.50%	0.50%	2,000,000	19	16
Charles	164,436	0.50%	0.50%	7,200,000	44	13
Dorchester	31,853	0.75%	0.75%	846,071	27	15
Frederick	265,161	0.00%	0.00%	0	0	20
Garrett	28,852	1.00%	1.00%	1,758,000	61	11
Harford	256,805	1.00%	1.00%	16,000,000	62	9
Howard	328,200	1.25%	1.25%	44,875,000	137	1
Kent	19,192	0.50%	0.50%	786,000	41	14
Montgomery	1,051,816	1.00%	1.00%	117,255,198	111	4
Prince George's	909,612	1.40%	1.40%	123,420,000	136	2
Queen Anne's	51,167	0.50%	0.50%	2,725,000	53	12
St. Mary's	114,687	1.00%	1.00%	7,000,000	61	10
Somerset	25,453	0.00%	0.00%	0	0	20
Talbot	36,972	1.00%	1.00%	3,600,000	97	5
Washington	151,146	0.50%	0.50%	2,400,000	16	18
Wicomico	103,990	0.00%	0.00%	0	0	20
Worcester	52,403	0.50%	0.50%	6,000,000	114	3
Total	6,055,802			\$510,210,769	\$84	

Source: Department of Legislative Services, County Budgets

Hotel Rental Tax Rates and Revenue Amounts

County	Population	County Tax Rates		Revenues FY 2022	Per Capita Revenues	Per Capita Ranking
		FY 2021	FY 2022			
Allegany	70,057	8.0%	8.0%	\$1,948,645	\$28	4
Anne Arundel	582,777	7.0%	7.0%	12,200,000	21	6
Baltimore City	586,131	9.5%	9.5%	19,630,000	33	2
Baltimore	826,017	9.5%	9.5%	10,780,000	13	7
Calvert	93,072	5.0%	5.0%	750,000	8	15
Caroline	33,492	5.0%	5.0%	0	0	24
Carroll	169,092	5.0%	5.0%	410,020	2	22
Cecil	103,419	6.0%	6.0%	180,000	2	23
Charles	164,436	5.0%	5.0%	1,000,000	6	19
Dorchester	31,853	5.0%	5.0%	347,000	11	11
Frederick	265,161	5.0%	5.0%	2,346,000	9	13
Garrett	28,852	8.0%	8.0%	3,200,000	111	1
Harford	256,805	6.0%	6.0%	1,950,000	8	17
Howard	328,200	7.0%	7.0%	2,750,000	8	14
Kent	19,192	5.0%	5.0%	86,000	4	20
Montgomery	1,051,816	7.0%	7.0%	11,837,621	11	10
Prince George's	909,612	7.0%	7.0%	7,000,000	8	16
Queen Anne's	51,167	5.0%	5.0%	500,000	10	12
St. Mary's	114,687	5.0%	5.0%	800,000	7	18
Somerset	25,453	5.0%	5.0%	75,000	3	21
Talbot	36,972	4.0%	4.0%	1,200,000	32	3
Washington	151,146	6.0%	6.0%	1,840,000	12	8
Wicomico	103,990	6.0%	6.0%	1,189,250	11	9
Worcester	52,403	5.0%	5.0%	1,130,000	22	5
Total	6,055,802			\$83,149,536	\$14	

Source: Department of Legislative Services, County Budgets

Admissions and Amusement Tax Rates and Revenue Amounts

County	Population	County Tax Rates		Revenues	Per Capita	Per Capita
		FY 2021	FY 2022	FY 2022	Revenues	Ranking
Allegany	70,057	7.5%	7.5%	\$150,000	\$2	10
Anne Arundel	582,777	10.0%	10.0%	6,200,000	11	4
Baltimore City	586,131	10.0%	10.0%	6,987,000	12	2
Baltimore	826,017	10.0%	10.0%	6,000,000	7	6
Calvert	93,072	1.0%	1.0%	30,000	0	21
Caroline	33,492	0.0%	0.0%	0	0	23
Carroll	169,092	10.0%	10.0%	175,000	1	12
Cecil	103,419	6.0%	6.0%	87,000	1	16
Charles	164,436	10.0%	10.0%	760,000	5	7
Dorchester	31,853	0.5%	0.5%	500	0	22
Frederick	265,161	0.0%	0.0%	0	0	23
Garrett	28,852	6.0%	6.0%	900,000	31	1
Harford	256,805	5.0%	5.0%	370,000	1	11
Howard	328,200	7.5%	7.5%	1,008,000	3	8
Kent	19,192	4.5%	4.5%	18,000	1	14
Montgomery	1,051,816	7.0%	7.0%	831,768	1	17
Prince George's	909,612	10.0%	10.0%	8,250,000	9	5
Queen Anne's	51,167	5.0%	5.0%	155,000	3	9
St. Mary's	114,687	2.0%	2.0%	100,000	1	15
Somerset	25,453	4.0%	4.0%	18,000	1	18
Talbot	36,972	5.0%	5.0%	20,000	1	20
Washington	151,146	5.0%	5.0%	150,000	1	13
Wicomico	103,990	6.0%	6.0%	70,000	1	19
Worcester	52,403	3.0%	3.0%	600,000	11	3
Total	6,055,802			\$32,880,268	\$5	

Source: Department of Legislative Services, County Budgets

Other Local Taxes

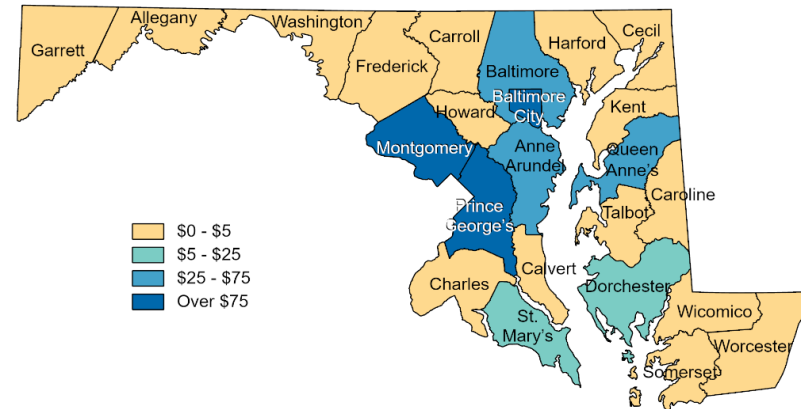
Many county governments, including Baltimore City, impose a variety of other local taxes including sales and service taxes. Counties are generally limited to imposing sales taxes on fuels and utilities. Worcester County is authorized to impose a sales tax on food and beverages in Ocean City. Montgomery County imposes a tax on E-cigarettes and certain plastic bags. Baltimore City and Anne Arundel County impose a tax on parking facilities.

In fiscal 2022, county governments are estimated to collect \$489.1 million in other local taxes. Sales taxes on energy sources account for 63.7% of the other local taxes (\$311.4 million) while sales taxes on telephones account for 24.6% of the total (\$120.1 million).

In fiscal 2022, revenues from other local taxes range from \$50,000 in Charles and Talbot counties to \$234.2 million in Montgomery County. On average, county governments collected \$81 per capita in other local taxes. Montgomery County leads the State with per capita collections totaling \$223, followed by Baltimore City (\$209). Prince George's County had per capita collections of \$94.

Between fiscal 2020 and 2022, revenues from other local taxes are projected to decrease by \$8.6 million, despite a modest increase in fiscal 2022. This represents a 0.9% average annual decrease over the two-year period.

**Other Local Tax Revenue – Per Capita Amount
FY2022**



**Other Local Tax Revenues
(\$ in Millions)**

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Energy Taxes	\$311.4	\$310.2	\$311.4
Telephone Taxes	125.4	119.8	120.1
PILOTs – Baltimore City	15.7	16.0	14.2
Parking Tax	33.4	26.3	29.1
Bag Tax	2.6	3.0	3.2
E-Cigarette Tax	1.3	0.9	1.0
Other	7.9	8.4	10.1
Total	\$497.8	\$484.6	\$489.1

Source: Department of Legislative Services, County Budgets