

PROPERTY TAX SET-OFFS

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

FISCAL 2017



DEPARTMENT OF LEGISLATIVE SERVICES 2017

**Property Tax Set-offs:
The Use of Local Property Tax Differentials
And Tax Rebates in Maryland
Fiscal 2017**

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

January 2018

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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

Ryan Bishop
Director

January 2018

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 2017. 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. Mary Alice Gehrdes and Nikki Burns 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,

Victoria L. Gruber
Executive Director

Ryan Bishop
Director

/mag/nb

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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 2017. 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 \$41.1 million for their municipalities. Five counties (Carroll, Cecil, Montgomery, St. Mary's, and Somerset) returned to their municipalities rebates totaling \$11.5 million. Six counties (Dorchester, Frederick, Garrett, Harford, Prince George's, and Queen Anne's) provided both tax differentials and rebates to

their municipalities totaling \$54.5 million. In sum, tax differentials and rebates totaled \$107.1 million in fiscal 2017, a 4.3% increase compared to the prior year. Tax differentials totaled \$87.0 million, and tax rebates totaled \$20.1 million.

Over the last 10 years, the level of tax set-offs provided to municipalities has increased by \$40.2 million, or 60.0%, which represents an average annual increase of 4.8%. In fiscal 2007, the level of tax set-offs totaled \$67.0 million.

All counties, except Caroline, Kent, and St. Mary's, increased the amount of tax set-offs provided to municipalities since fiscal 2007. 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 2017 (\$13.3 million) is more than two times what it was in fiscal 2007 (\$6.0 million). In Dorchester County, a tax rebate totaling approximately \$69,000 was provided in fiscal 2007. Since that time, tax rebates provided by the county have grown to \$424,476 in fiscal 2017.

Of the State's larger counties, only Prince George's County provided a dramatically higher tax set-off in fiscal 2017 (\$29.3 million) than it did in fiscal 2007 (\$16.1 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 \$7.4 million in fiscal 2007. In fiscal 2017, the county provided tax rebates

totaling \$8.2 million, which represents an average annual increase of 0.9%. Similarly, in Anne Arundel County, the total value of the tax rate differential increased by \$5.7 million over the 10-year period, which represents an average annual increase of 2.6%. Most of this increase, however, is due to the assessable base growth in the City of Annapolis.

Of the 18 counties providing tax set-offs in fiscal 2017, the tax set-off amount decreased relative to the amounts provided in fiscal 2016 in 2 counties (Cecil and Talbot).

Property Tax Set-offs: The Use of Local Property Tax Differentials And Tax Rebates in Maryland Fiscal 2017

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 2016 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 66.5% of municipal expenditures in fiscal 2015. 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 2015
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$29,275.6	95.5%
Municipal Level	\$1,393.6	4.5%
Total	\$30,669.2	100.0%

<u>Municipal Level</u>	<u>Expenditures</u>	<u>Percent of Total</u>
Public Works	\$597.5	42.9%
Public Safety	328.6	23.6%
General Government	176.4	12.7%
Parks, Recreation, & Culture	111.0	8.0%
Community/Economic Development	47.3	3.4%
Miscellaneous	50.6	3.6%
Debt Service	82.3	5.9%
Total	\$1,393.6	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 2017. 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 2017.
- **Exhibit 4** shows the per capita distribution of tax differentials and rebates among municipalities for fiscal 2017.
- **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 2014 through 2016.
- **Exhibit 7** compares tax set-offs authorized in fiscal 2017 to those in fiscal 2016.
- **Exhibit 8** compares a county's tax set-off amount in fiscal 2017 with the amount provided in fiscal 2007.
- **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 2017 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 2017 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 2015 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 2017. 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 2017, tax differentials and rebates totaled \$107.1 million, a 4.3% increase compared to the prior year. Local funding for tax differentials and rebates in fiscal 2017 ranged from \$43,943 in St. Mary's County to \$29.3 million in Prince George's County. On a per capita basis, local funding ranged from less than \$1 in St. Mary's County to \$105 in Talbot County.

Seven counties (Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot, and Washington) provided tax rate differentials totaling \$41.1 million for the municipalities in their jurisdictions. Five counties (Carroll, Cecil, Montgomery, St. Mary's, and Somerset) returned to the municipalities rebates totaling \$11.5 million. Six counties (Dorchester, Frederick, Garrett, Harford, Prince George's, and Queen Anne's) provided both tax differentials and rebates to their municipalities. Prince George's County provided both tax rebates and tax rate differentials to its municipalities totaling \$29.3 million – as did Harford County, totaling \$10.5 million. Dorchester County provided tax rate differentials to Cambridge and Hurlock totaling \$418,426 and provided tax rebates to its other municipalities totaling \$6,050. Frederick County provided tax rate differentials to Frederick and Myersville totaling \$9.1 million and provided 10 other municipalities with \$4.2 million in tax rebates. Garrett County had a tax rate differential totaling \$74,823 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 \$527,414, and provided five other municipalities with \$148,439 in tax rebates. In 2 of the 18 counties providing tax set-offs in fiscal 2017, the tax set-off amount decreased relative to the amount provided in fiscal 2016. The set-off amount increased in all of the counties except for Cecil and Talbot counties. The amount for Somerset County remained the same.

The City of Annapolis (Anne Arundel County) received the largest tax set-off amount in fiscal 2017. The county real property tax rate within the city was reduced by \$0.3670 per \$100 of assessed value and the county personal property tax rate was reduced by \$0.917, resulting in a property tax revenue offset of \$25.3 million in fiscal 2017 or \$641 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 \$9.5 million. For a majority of municipalities in Maryland, the per capita tax differential or rebate amount is under \$75 per municipal resident. In 26 municipalities (16.3%), the county government did not grant either a tax differential or tax rebate. In 9 municipalities (5.7%), the tax differential or rebate amount exceeded \$200 per municipal resident.

Exhibit 2
2017 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 2017

County	Tax Differential	Tax Rebate	Total
Allegany	\$2,091,733	\$0	\$2,091,733
Anne Arundel	25,267,074	0	25,267,074
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,389,413	0	3,389,413
Caroline	507,368	0	507,368
Carroll	0	2,149,647	2,149,647
Cecil	0	732,155	732,155
Charles	1,688,360	0	1,688,360
Dorchester	418,426	6,050	424,476
Frederick	9,066,995	4,232,919	13,299,914
Garrett	74,823	297,000	371,823
Harford	7,096,207	3,368,380	10,464,587
Howard	N/A	N/A	N/A
Kent	0	0	0
Montgomery	0	8,168,433	8,168,433
Prince George's	28,687,887	623,470	29,311,357
Queen Anne's	527,414	148,439	675,853
St. Mary's	0	43,943	43,943
Somerset	0	360,000	360,000
Talbot	3,908,381	0	3,908,381
Washington	4,268,337	0	4,268,337
Wicomico	0	0	0
Worcester	0	0	0
Total	\$86,992,415	\$20,130,436	\$107,122,851

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 2017

<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	27	16.9%
\$75-\$99	17	10.6%
\$50-\$74	24	15.0%
\$25-\$49	39	24.4%
\$1-\$24	18	11.3%
\$0	26	16.3%
Total	160	100.0%

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

Source: Department of Legislative Services

Exhibit 5
Tax Differentials and Tax Rebates – Per Capita Amounts
Largest Municipalities in Maryland
Fiscal 2017

Jurisdiction	Population July 2016	Total Amount	Per Capita Amount	Rank
Aberdeen	15,612	\$3,630,960	\$233	4
Annapolis	39,418	25,267,074	641	1
Bel Air	10,109	3,443,207	341	2
Bladensburg	9,608	579,793	60	18
Bowie	58,393	9,506,266	163	9
Cambridge	12,468	362,271	29	22
College Park	32,275	919,044	28	23
Cumberland	19,978	1,444,420	72	15
Easton	16,550	3,010,853	182	7
Elkton	15,744	342,025	22	24
Frederick	70,060	8,857,338	126	12
Frostburg	8,676	485,416	56	19
Gaithersburg	67,776	1,206,567	18	25
Greenbelt	23,909	3,160,374	132	11
Hagerstown	40,452	3,208,912	79	13
Havre de Grace	13,527	3,390,420	251	3
Hyattsville	18,449	2,882,305	156	10
La Plata	9,239	1,583,318	171	8
Laurel	25,853	5,016,427	194	6
Mt. Airy	9,374	612,016	65	17
Mt. Rainier	8,455	585,974	69	16
New Carrollton	12,868	977,334	76	14
Rockville	66,940	2,409,750	36	21
Salisbury	33,114	0	0	26
Takoma Park	17,765	3,513,643	198	5
Westminster	18,671	803,900	43	20

Source: Department of Legislative Services

Exhibit 6
Tax Differentials and Tax Rebates
Fiscal 2014-2016

County	Fiscal 2014			Fiscal 2015			Fiscal 2016		
	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total	Tax Differential	Tax Rebate	Total
Allegany	\$2,204,011	\$0	\$2,204,011	\$2,027,856	\$0	\$2,027,856	\$2,001,566	\$0	\$2,001,566
Anne Arundel	24,131,339	0	24,131,339	24,003,518	0	24,003,518	24,126,315	0	24,126,315
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	3,368,991	0	3,368,991	3,332,590	0	3,332,590	3,361,114	0	3,361,114
Caroline	473,645	0	473,645	461,691	0	461,691	475,639	0	475,639
Carroll	0	2,520,690	2,520,690	0	2,588,434	2,588,434	0	2,143,653	2,143,653
Cecil	0	760,340	760,340	0	750,330	750,330	0	741,659	741,659
Charles	1,108,014	0	1,108,014	1,169,333	0	1,169,333	1,658,202	0	1,658,202
Dorchester	398,799	6,050	404,849	373,354	6,050	379,404	377,626	6,050	383,676
Frederick	8,542,062	4,011,173	12,553,235	8,936,416	4,078,383	13,014,799	8,976,456	4,172,702	13,149,158
Garrett	70,422	237,000	307,422	79,569	267,000	346,569	70,433	297,000	367,433
Harford	6,550,444	3,554,158	10,104,602	6,663,225	3,482,861	10,146,086	6,836,053	3,416,633	10,252,686
Howard	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kent	0	64,446	64,446	0	0	0	0	0	0
Montgomery	0	7,776,718	7,776,718	0	7,776,718	7,776,718	0	7,656,182	7,656,182
Prince George's	26,818,044	651,147	27,469,191	26,192,372	651,147	26,843,519	26,641,923	651,147	27,293,070
Queen Anne's	0	0	0	294,960	87,903	382,863	452,124	137,723	589,847
St. Mary's	0	50,471	50,471	0	49,811	49,811	0	42,973	42,973
Somerset	0	315,000	315,000	0	315,000	315,000	0	360,000	360,000
Talbot	3,588,941	0	3,588,941	3,831,923	0	3,831,923	3,911,402	0	3,911,402
Washington	4,320,810	0	4,320,810	4,152,897	0	4,152,897	4,205,045	0	4,205,045
Wicomico	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0
Total	\$81,575,522	\$19,947,193	\$101,522,715	\$81,519,705	\$20,053,637	\$101,573,342	\$83,093,897	\$19,625,722	\$102,719,619

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 7
Changes in Tax Differentials and Tax Rebates
Fiscal 2016 and 2017

County	FY 2016	FY 2017	Difference	% Difference
Allegany	\$2,001,566	\$2,091,733	\$90,167	4.5%
Anne Arundel	24,126,315	25,267,074	1,140,759	4.7%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	3,361,114	3,389,413	28,299	0.8%
Caroline	475,639	507,368	31,729	6.7%
Carroll	2,143,653	2,149,647	5,994	0.3%
Cecil	741,659	732,155	(9,504)	-1.3%
Charles	1,658,202	1,688,360	30,158	1.8%
Dorchester	383,676	424,476	40,800	10.6%
Frederick	13,149,158	13,299,914	150,755	1.1%
Garrett	367,433	371,823	4,390	1.2%
Harford	10,252,686	10,464,587	211,900	2.1%
Howard	N/A	N/A	N/A	N/A
Kent	0	0	0	0.0%
Montgomery	7,656,182	8,168,433	512,251	6.7%
Prince George's	27,293,070	29,311,357	2,018,287	7.4%
Queen Anne's	589,847	675,853	86,006	14.6%
St. Mary's	42,973	43,943	970	2.3%
Somerset	360,000	360,000	0	0.0%
Talbot	3,911,402	3,908,381	(3,021)	-0.1%
Washington	4,205,045	4,268,337	63,292	1.5%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
Total	\$102,719,619	\$107,122,851	\$4,403,232	4.3%

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 2007	FY 2017	Difference	% Difference
Allegany	\$931,935	\$2,091,733	\$1,159,798	124.5%
Anne Arundel	19,614,189	25,267,074	5,652,885	28.8%
Baltimore City	N/A	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A	N/A
Calvert	2,365,852	3,389,413	1,023,561	43.3%
Caroline	727,333	507,368	(219,965)	-30.2%
Carroll	2,048,180	2,149,647	101,467	5.0%
Cecil	550,898	732,155	181,257	32.9%
Charles	472,399	1,688,360	1,215,961	257.4%
Dorchester	69,000	424,476	355,476	515.2%
Frederick	6,012,915	13,299,914	7,286,999	121.2%
Garrett	136,012	371,823	235,811	173.4%
Harford	6,441,297	10,464,587	4,023,290	62.5%
Howard	N/A	N/A	N/A	N/A
Kent	148,245	0	(148,245)	-100.0%
Montgomery	7,438,235	8,168,433	730,198	9.8%
Prince George's	16,085,835	29,311,357	13,225,522	82.2%
Queen Anne's	0	675,853	675,853	
St. Mary's	53,796	43,943	(9,853)	-18.3%
Somerset	0	360,000	360,000	
Talbot	2,301,956	3,908,381	1,606,425	69.8%
Washington	1,561,700	4,268,337	2,706,637	173.3%
Wicomico	0	0	0	0.0%
Worcester	0	0	0	0.0%
Total	\$66,959,777	\$107,122,851	\$40,163,074	60.0%

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 2017

	<u>Real</u> <u>Property Base</u>	<u>Personal</u> <u>Property Base</u>	<u>Total</u> <u>Assessable Base</u>
Allegany County			
Barton	\$11,982,460	\$2,376,980	\$14,359,440
Cumberland	880,382,210	86,188,330	966,570,540
Frostburg	342,323,521	19,656,260	361,979,781
Lonaconing	26,373,417	3,790,440	30,163,857
Luke	32,556,380	3,267,330	35,823,710
Midland	11,982,640	729,770	12,712,410
Westernport	53,580,854	3,526,090	57,106,944
Anne Arundel County			
Annapolis	\$6,431,027,410	\$181,592,480	\$6,612,619,890
Calvert County			
Chesapeake Beach	\$754,637,950	\$3,451,290	\$758,089,240
North Beach	241,430,050	1,623,020	243,053,070
Caroline County			
Denton	\$355,048,850	\$13,333,330	\$368,382,180
Federalsburg	153,340,866	40,385,670	193,726,536
Goldsboro	11,949,519	282,250	12,231,769
Greensboro	92,219,804	3,223,730	95,443,534
Henderson	4,188,235	94,130	4,282,365
Hillsboro	11,331,600	242,770	11,574,370
Marydel	6,519,732	749,130	7,268,862
Preston	59,351,984	6,357,250	65,709,234
Ridgely	105,675,013	8,633,610	114,308,623
Templeville	1,253,466	28,480	1,281,946
Charles County			
Indian Head	\$233,427,433	\$3,973,550	\$237,400,983
LaPlata	1,172,827,801	35,027,360	1,207,855,161
Port Tobacco	2,450,101	19,520	2,469,621
Dorchester County			
Brookview	\$0	\$0	\$0
Cambridge	734,829,418	54,457,070	789,286,488
Church Creek	0	0	0
East New Market	0	0	0
Eldorado	0	0	0
Galestown	0	0	0
Hurlock	112,085,684	71,027,670	183,113,354
Secretary	0	0	0
Vienna	0	0	0

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Frederick County			
Frederick	\$7,224,582,299	\$171,000,080	\$7,395,582,379
Myersville	167,859,628	26,290,260	194,149,888
Garrett County			
Mountain Lake Park	\$107,371,200	\$5,324,350	\$112,695,550
Harford County			
Aberdeen	\$1,408,826,802	\$112,173,580	\$1,521,000,382
Bel Air	1,387,083,238	78,930,460	1,466,013,698
Havre de Grace	1,427,784,748	33,462,250	1,461,246,998
Prince George's County			
Berwyn Heights	\$281,598,493	\$22,456,610	\$304,055,103
Bladensburg	424,011,987	35,361,750	459,373,737
Bowie	6,616,226,145	200,958,070	6,817,184,215
Brentwood	215,638,048	5,035,300	220,673,348
Capitol Heights	267,885,841	16,017,670	283,903,511
Cheverly	602,829,236	46,212,760	649,041,996
College Park	2,491,992,857	125,936,680	2,617,929,537
Colmar Manor	87,484,971	4,962,860	92,447,831
Cottage City	89,746,282	4,807,300	94,553,582
District Heights	348,928,504	7,094,310	356,022,814
Eagle Harbor	7,045,000	424,320	7,469,320
Edmonston	151,577,127	13,976,430	165,553,557
Fairmount Heights	97,396,732	1,256,930	98,653,662
Forest Heights	170,488,663	3,401,260	173,889,923
Glenarden	436,239,820	24,825,920	461,065,740
Greenbelt	1,960,357,514	100,632,810	2,060,990,324
Hyattsville	1,835,490,403	105,942,480	1,941,432,883
Landover Hills	138,507,254	4,369,200	142,876,454
Laurel	2,759,342,415	94,379,840	2,853,722,255
Morningside	89,753,731	4,197,350	93,951,081
Mount Rainier	405,095,721	7,487,620	412,583,341
New Carrollton	715,524,863	37,549,970	753,074,833
North Brentwood	48,714,333	2,595,970	51,310,303
Riverdale Park	608,903,207	26,388,060	635,291,267
Seat Pleasant	277,743,207	10,898,780	288,641,987
University Park	358,127,708	2,621,360	360,749,068
Upper Marlboro	83,652,900	28,642,500	112,295,400
Queen Anne's County			
Barclay	\$0	\$0	\$0
Centreville	532,990,415	5,920,780	538,911,195
Church Hill	0	0	0
Millington	1,366,500	50,190	1,416,690
Queen Anne	0	0	0
Queenstown	0	0	0
Sudlersville	36,259,950	4,284,230	40,544,180
Templeville	0	0	0

	<u>Real Property Base</u>	<u>Personal Property Base</u>	<u>Total Assessable Base</u>
Talbot County			
Easton	\$2,100,568,470	\$65,983,660	\$2,166,552,130
Oxford	334,386,499	1,000,270	335,386,769
Queen Anne	7,982,900	2,735,120	10,718,020
St. Michaels	284,093,300	12,089,300	296,182,600
Trappe	84,034,831	5,537,830	89,572,661
Washington County			
Boonsboro	\$281,156,234	\$10,189,470	\$291,345,704
Clear Spring	21,693,763	1,994,880	23,688,643
Funkstown	47,645,007	3,222,120	50,867,127
Hagerstown	2,567,129,442	127,333,820	2,694,463,262
Hancock	90,327,665	5,679,850	96,007,515
Keedysville	85,183,288	2,088,250	87,271,538
Sharpsburg	39,865,566	1,221,480	41,087,046
Smithsburg	175,053,962	7,425,260	182,479,222
Williamsport	106,614,407	7,112,360	113,726,767

Source: State Department of Assessments and Taxation

Tax Differentials/Tax Rebates by County

Allegany County

During fiscal 2017, 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 2017 is approximately \$2.1 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>
Barton	\$0.0835	\$0.2087	\$14,966
Cumberland	0.1318	0.3296	1,444,420
Frostburg	0.1240	0.3100	485,416
Lonaconing	0.1074	0.2686	38,506
Luke	0.1100	0.2750	44,797
Midland	0.0835	0.2087	11,529
Westernport	0.0835	0.2087	52,099
Total			\$2,091,733

Anne Arundel County

Anne Arundel County set a tax rate differential of \$0.3670 for real property and \$0.917 for personal property for the City of Annapolis in fiscal 2017 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 2017 is \$25.3 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	\$0.3670	\$0.9170	\$25,267,074

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 2017, 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	\$2,564,574
North Beach	0.3360	0.8400	824,838
Total			\$3,389,413

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 2017, 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	\$213,029
Federalsburg	0.09	138,007
Goldsboro	0.00	0
Greensboro	0.07	64,554
Henderson	0.00	0
Hillsboro	0.00	0
Marydel	0.00	0
Preston	0.03	17,806
Ridgely	0.07	73,973
Templeville	0.00	0
Total		\$507,368

Carroll County

Carroll County provided its eight municipalities with tax rebates totaling \$2.1 million in fiscal 2017 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	\$286,754
Manchester	249,125
Mount Airy	111,732
New Windsor	59,212
Sykesville	236,235
Taneytown	348,418
Union Bridge	54,271
Westminster	803,900
Total	\$2,149,647

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 \$64,744 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 (\$3.75 per ton \times 0.75 tons per capita \times population). The total rebate amount that municipalities in Cecil County received in fiscal 2017 was \$732,155. The amounts were distributed as follows:

<u>Municipality</u>	<u>General Rebate</u>	<u>Trash Rebate</u>	<u>Total Rebate</u>
Cecilton	\$12,569	\$1,333	\$13,902
Charlestown	37,881	2,866	40,747
Chesapeake City	23,531	2,213	25,744
Elkton	308,576	33,449	342,025
North East	86,468	7,867	94,335
Perryville	128,357	10,328	138,685
Port Deposit	17,167	1,901	19,068
Rising Sun	52,862	4,787	57,649
Total	\$667,411	\$64,744	\$732,155

Charles County

Charles County provided a real property tax rate differential to La Plata and Indian Head in fiscal 2017 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	\$0.0450	\$105,042
La Plata	0.1350	1,583,318
Total		\$1,688,360

Dorchester County

In fiscal 2017, two of Dorchester County's nine municipalities, Cambridge and Hurlock, received tax rate differentials totaling \$418,426. 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	0.0493	362,271	0	362,271
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	0.0501	56,155	0	56,155
Secretary	0.0000	0	1,350	1,350
Vienna	0.0000	0	1,350	1,350
Total		\$418,426	\$6,050	\$424,476

Frederick County

Frederick County provided a real property tax rate differential to Frederick and Myersville totaling \$9.1 million in fiscal 2017. Frederick County provided tax rebates totaling \$4.2 million in fiscal 2017 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 2017 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	\$886,572	\$886,572
Burkittsville	0.0000	0	25,744	25,744
Emmitsburg	0.0000	0	369,621	369,621
Frederick	0.1226	8,857,338	0	8,857,338
Middletown	0.0000	0	566,687	566,687
Mt. Airy	0.0000	0	500,284	500,284
Myersville	0.1249	209,657	0	209,657
New Market	0.0000	0	84,571	84,571
Rosemont	0.0000	0	12,891	12,891
Thurmont	0.0000	0	880,136	880,136
Walkersville	0.0000	0	803,393	803,393
Woodsboro	0.0000	0	103,020	103,020
Total		\$9,066,995	\$4,232,919	\$13,299,914

Garrett County

In fiscal 2017, 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 \$0.1550 in Mountain Lake Park. The total value of the tax differentials for Mountain Lake Park was \$74,823. 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
Kitzmiller	0.0000	0.0000	0	25,000	25,000
Loch Lynn Heights	0.0000	0.0000	0	25,000	25,000
Mountain Lake Park	0.0620	0.1550	74,823	0	74,823
Oakland	0.0000	0.0000	0	147,000	147,000
Total			\$74,823	\$297,000	\$371,823

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 \$7.1 million in fiscal 2017. 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	\$2,505,118	\$1,125,842	\$3,630,960
Bel Air	0.1483	0.3707	2,349,640	1,093,567	3,443,207
Havre de Grace	0.1483	0.3707	2,241,449	1,148,971	3,390,420
Total			\$7,096,207	\$3,368,380	\$10,464,587

Howard County

There are no incorporated municipalities in Howard County.

Kent County

Kent County did not provide tax set-offs to its municipalities in fiscal 2017.

Montgomery County

Montgomery County provided tax rebates totaling \$8.2 million to 17 municipalities and 3 special taxing districts in fiscal 2017. Barnesville and Chevy Chase, Section 5, were the only municipalities that did not receive a tax rebate in fiscal 2017. The tax rebates are based on the county council's appropriation.

<u>Municipality</u>	<u>Rebate Amount</u>
Barnesville	\$0
Brookeville	8,067
Chevy Chase, Sec. III	31,513
Chevy Chase, Sec. V	0
Chevy Chase View	41,275
Chevy Chase Village	100,524
Town of Chevy Chase	131,669
Drummond*	4,613
Friendship Heights*	95,245
Gaithersburg	1,206,567
Garrett Park	48,367
Glen Echo	20,762
Kensington	156,809
Laytonsville	14,293
Martin's Additions	26,832
North Chevy Chase	25,195
Oakmont*	3,278
Poolesville	228,936
Rockville	2,409,750
Somerset	56,173
Takoma Park	3,513,643
Washington Grove	44,922
Total	\$8,168,433

*Denotes a special taxing district.

Prince George's County

In fiscal 2017, Prince George's County provided its 27 municipalities with tax differentials valued at an estimated \$28.7 million and tax rebates totaling \$0.6 million. County law requires the cost for each service for each municipality identified in the prior year county budget to be assigned a tax rate equivalency value after adjustments are made to offset revenue directly allocated to a specific service. The aggregate municipal requests for "in lieu of" service credit, as certified by the county, are translated into a dollar value. This dollar value is calculated by totaling the products of the tax rate equivalent cost of the service multiplied by each municipality's assessable base. Each of these net service values is then reduced to reflect the portion of each county service paid for by the property tax levy. The sum of the tax rate values of the duplicative services constitutes the calculated tax rate differential for each municipality. The county uses a three-year rolling average in applying the calculated tax differentials to provide stability to municipal residents' county tax rates in the event of rate changes due to county services reorganization, economic fluctuations, or other factors. The county also provides tax rebates for solid waste collection and code enforcement.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Personal Property Tax Rate Differential</u>	<u>Differential Amount</u>	<u>Tax Rebate</u>	<u>Total</u>
Berwyn Heights	\$0.1270	\$0.2980	\$424,551	\$7,560	\$432,111
Bladensburg	0.1100	0.2580	557,647	22,146	579,793
Bowie	0.1320	0.3100	9,356,389	149,877	9,506,266
Brentwood	0.0720	0.1690	163,769	7,374	171,143
Capitol Heights	0.1180	0.2770	360,474	10,499	370,973
Cheverly	0.1190	0.2790	846,300	16,906	863,206
College Park	0.0300	0.0700	835,754	83,290	919,044
Colmar Manor	0.0940	0.2210	93,204	3,399	96,603
Cottage City	0.1060	0.2480	107,053	3,159	110,212
District Heights	0.1230	0.2890	449,685	15,982	465,667
Eagle Harbor	0.0070	0.0060	519	153	672
Edmonston	0.1030	0.2420	189,947	3,498	193,445
Fairmount Heights	0.0560	0.1310	56,189	3,617	59,806
Forest Heights	0.0880	0.2050	157,003	5,924	162,927
Glenarden	0.1200	0.2700	590,518	14,525	605,043
Greenbelt	0.1410	0.3310	3,097,199	63,175	3,160,374
Hyattsville	0.1360	0.3190	2,834,223	48,082	2,882,305
Landover Hills	0.1110	0.2590	165,059	4,084	169,143
Laurel	0.1660	0.3890	4,947,646	68,781	5,016,427

<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	0.0750	0.1760	74,703	5,518	80,221
Mount Rainier	0.1340	0.3150	566,414	19,560	585,974
New Carrollton	0.1180	0.2760	947,957	29,377	977,334
North Brentwood	0.0040	0.0100	2,208	1,252	3,460
Riverdale Park	0.1360	0.3200	912,550	16,839	929,389
Seat Pleasant	0.1240	0.2920	376,226	10,995	387,221
University Park	0.1250	0.2930	455,340	6,168	461,508
Upper Marlboro	0.0790	0.1860	119,361	1,730	121,091
Total			\$28,687,887	\$623,470	\$29,311,357

Queen Anne's County

In fiscal 2017, three of Queen Anne's County's eight municipalities, Centreville, Millington, and Sudlersville, received tax rate differentials totaling \$527,414. The other five municipalities received tax rebates totaling \$148,439. 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	0.0951	0.0000	506,874	0	506,874
Church Hill	0.0000	0.0000	0	26,033	26,033
Millington	0.0543	0.0000	742	0	742
Queen Anne	0.0000	0.0000	0	3,363	3,363
Queenstown	0.0000	0.0000	0	110,720	110,720
Sudlersville	0.0546	0.0000	19,798	0	19,798
Templeville	0.0000	0.0000	0	950	950
Total			\$527,414	\$148,439	\$675,853

St. Mary's County

St. Mary's County provided a tax rebate in the amount of \$43,943 to the Town of Leonardtown in fiscal 2017 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	\$43,943

Somerset County

Somerset County provided tax rebates in fiscal 2017 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 2017, 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	\$0.1329	\$0.3322	\$3,010,853
Oxford	0.1169	0.2922	393,821
Queen Anne	0.0609	0.1522	9,024
St. Michaels	0.1269	0.3172	398,862
Trappe	0.0979	0.2447	95,821
Total			\$3,908,381

Washington County

For fiscal 2017, 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 2017 tax differentials totaled approximately \$4.3 million.

<u>Municipality</u>	<u>Real Property Tax Rate Differential</u>	<u>Differential Amount</u>
Boonsboro	\$0.125	\$351,445
Clear Spring	0.125	27,117
Funkstown	0.125	59,556
Hagerstown	0.125	3,208,912
Hancock	0.125	112,910
Keedysville	0.125	106,479
Sharpsburg	0.125	49,832
Smithsburg	0.125	218,817
Williamsport	0.125	133,268
Total		\$4,268,337

Wicomico County

Wicomico County did not provide tax set-offs to its municipalities in fiscal 2017.

Worcester County

Worcester County did not provide tax set-offs to its municipalities in fiscal 2017.

Appendices

Appendix 1. Incorporated Cities and Towns in Maryland

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

Appendix 1 (continued)

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Garrett			Prince George's		
Accident	1916	Ch. 514	Berwyn Heights	1896	Ch. 267
Deer Park	1884	Ch. 519	Bladensburg	1854	Ch. 137
Friendsville	1902	Ch. 477	Bowie	1882	Ch. 488
Grantsville	1864	Ch. 99	Brentwood	1912	Ch. 401
Kitzmillier	1906	Ch. 285	Capitol Heights	1910	Ch. 513
Loch Lynn Heights	1896	Ch. 450	Cheverly	1931	Ch. 200
Mountain Lake Park	1931	Ch. 507	College Park	1945	Ch. 1051
Oakland	1862	Ch. 250	Colmar Manor	1927	Ch. 178
			Cottage City	1924	Ch. 390
Harford			District Heights	1936	Ch. 61
Aberdeen	1892	Ch. 136	Eagle Harbor	1929	Ch. 397
Bel Air	1874	Ch. 273	Edmonston	1924	Ch. 154
Havre de Grace	1785	Ch. 55	Fairmount Heights	1935	Ch. 199
			Forest Heights	1949	Ch. 142
Howard			Glenarden	1939	Ch. 650
None			Greenbelt	1937	Ch. 532
			Hyattsville	1886	Ch. 424
Kent			Landover Hills	1945	Ch. 465
Betterton	1906	Ch. 227	Laurel	1870	Ch. 260
Chestertown	1805	Ch. 101	Morningside	1949	Ch. 589
Galena	1858	Ch. 373	Mount Rainier	1910	Ch. 514
Millington (also in Queen Anne's)	1890	Ch. 386	New Carrollton	1953	Ch. 441
Rock Hall	1908	Ch. 171	North Brentwood	1924	Ch. 508
			Riverdale Park	1920	Ch. 731
Montgomery			Seat Pleasant	1931	Ch. 197
Barnesville	1888	Ch. 254	University Park	1936	Ch. 132
Brookeville	1808	Ch. 90	Upper Marlboro	1870	Ch. 363
Chevy Chase	1918	Ch. 177	Queen Anne's		
Chevy Chase, Sec. 3	1982	Referendum	Barclay	1931	Ch. 483
Chevy Chase, Sec. 5	1982	Referendum	Centreville	1794	Ch. 23
Chevy Chase View	1993	Referendum	Church Hill	1876	Ch. 201
Chevy Chase Village	1910	Ch. 382	Millington	1890	Ch. 386
Gaithersburg	1878	Ch. 397	(also in Kent)		
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
			Hebron	1931	Ch. 90
Talbot			Mardela Springs	1906	Ch. 325
Easton	1790	Ch. 14	Pittsville	1906	Ch. 499
Oxford	1852	Ch. 367	Salisbury	1854	Ch. 287
Queen Anne (also in Queen Anne's)	1953	Ch. 17	Sharptown	1874	Ch. 465
St. Michaels	1804	Ch. 82	Willards	1906	Ch. 195
Trappe	1827	Ch. 103	Worcester		
Washington			Berlin	1868	Ch. 424
Boonsboro	1831	Ch. 139	Ocean City	1880	Ch. 209
Clear Spring	1836	Ch. 141	Pocomoke City	1878	Ch. 253
Funkstown	1840	Ch. 78	Snow Hill	1812	Ch. 72
Hagerstown	1813	Ch. 121			
Hancock	1853	Ch. 319			
Keedysville	1872	Ch. 251			
Sharpsburg	1832	Ch. 28			
Smithsburg	1841	Ch. 284			
Williamsport	1823	Ch. 125			

Source: Maryland State Archives; Department of Legislative Services

Appendix 2. Tax Differentials and Rebates on a Per Capita Basis
Fiscal 2017

Jurisdiction	Population July 2016	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Allegany					
Barton	431	\$14,966	\$0	\$14,966	\$35
Cumberland	19,978	1,444,420	0	1,444,420	72
Frostburg	8,676	485,416	0	485,416	56
Lonaconing	1,134	38,506	0	38,506	34
Luke	63	44,797	0	44,797	711
Midland	425	11,529	0	11,529	27
Westernport	1,796	52,099	0	52,099	29
Anne Arundel					
Annapolis	39,418	\$25,267,074	\$0	\$25,267,074	\$641
Highland Beach	103	0	0	0	0
Baltimore City					
	614,664	\$0	\$0	\$0	\$0
Baltimore					
	831,026	\$0	\$0	\$0	\$0
Calvert					
Chesapeake Beach	5,911	\$2,564,574	\$0	\$2,564,574	\$434
North Beach	2,019	824,838	0	824,838	409
Caroline					
Denton	4,388	\$213,029	\$0	\$213,029	\$49
Federalsburg	2,674	138,007	0	138,007	52
Goldsboro	238	0	0	0	0
Greensboro	1,882	64,554	0	64,554	34
Henderson	145	0	0	0	0
Hillsboro	159	0	0	0	0
Marydel	141	0	0	0	0
Preston	706	17,806	0	17,806	25
Ridgely	1,624	73,973	0	73,973	46
Templeville*	27	0	0	0	0
Carroll					
Hampstead*	6,355	\$0	\$286,754	\$286,754	\$45

Appendix 2 (continued)

Jurisdiction	Population July 2016	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Manchester	4,818	0	249,125	249,125	52
Mount Airy*	5,512	0	111,732	111,732	20
New Windsor	1,400	0	59,212	59,212	42
Sykesville	3,941	0	236,235	236,235	60
Taneytown	6,760	0	348,418	348,418	52
Union Bridge	970	0	54,271	54,271	56
Westminster	18,671	0	803,900	803,900	43
Cecil					
Cecilton	675	\$0	\$13,902	\$13,902	\$21
Charlestown	1,196	0	40,747	40,747	34
Chesapeake City	700	0	25,744	25,744	37
Elkton	15,744	0	342,025	342,025	22
North East	3,650	0	94,335	94,335	26
Perryville	4,419	0	138,685	138,685	31
Port Deposit	767	0	19,068	19,068	25
Rising Sun	2,799	0	57,649	57,649	21
Charles					
Indian Head	3,824	\$105,042	\$0	\$105,042	\$27
La Plata	9,239	1,583,318	0	1,583,318	171
Port Tobacco	13	0	0	0	0
Dorchester					
Brookview	59	\$0	\$450	\$450	\$8
Cambridge	12,468	362,271	0	362,271	29
Church Creek	123	0	425	425	3
East New Market	381	0	1,350	1,350	4
Eldorado	58	0	425	425	7
Galestown	135	0	700	700	5
Hurlock	2,027	56,155	0	56,155	28
Secretary	520	0	1,350	1,350	3
Vienna	275	0	1,350	1,350	5
Frederick					
Brunswick	6,171	\$0	\$886,572	\$886,572	\$144
Burkittsville	157	0	25,744	25,744	164
Emmitsburg	3,038	0	369,621	369,621	122
Frederick City	70,060	8,857,338	0	8,857,338	126
Middletown	4,515	0	566,687	566,687	126

Appendix 2 (continued)

Jurisdiction	Population July 2016	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Myersville	1,723	\$209,657	0	209,657	122
Mount Airy*	3,862	0	500,284	500,284	130
New Market	704	0	84,571	84,571	120
Rosemont	308	0	12,891	12,891	42
Thurmont	6,528	0	880,136	880,136	135
Walkersville	6,054	0	803,393	803,393	133
Woodsboro	1,208	0	103,020	103,020	85
Garrett					
Accident	316	\$0	\$25,000	\$25,000	\$79
Deer Park	380	0	25,000	25,000	66
Friendsville	474	0	25,000	25,000	53
Grantsville	764	0	25,000	25,000	33
Kitzmiller	309	0	25,000	25,000	81
Loch Lynn Heights	535	0	25,000	25,000	47
Mountain Lake Park	2,111	74,823	0	74,823	35
Oakland	1,873	0	147,000	147,000	78
Harford					
Aberdeen	15,612	\$2,505,118	\$1,125,842	\$3,630,960	\$233
Bel Air	10,109	2,349,640	1,093,567	3,443,207	341
Havre de Grace	13,527	2,241,449	1,148,971	3,390,420	251
Howard					
	317,233	\$0	\$0	\$0	\$0
Kent					
Betterton	324	\$0	\$0	\$0	\$0
Chestertown	5,080	0	0	0	0
Galena	594	0	0	0	0
Millington*	572	0	0	0	0
Rock Hall	1,298	0	0	0	0
Montgomery					
Barnesville	179	\$0	\$0	\$0	\$0
Brookeville	132	0	8,067	8,067	61
Chevy Chase, Sec. 3	793	0	31,513	31,513	40
Chevy Chase, Sec. 5	711	0	0	0	0
Chevy Chase	2,989	0	131,669	131,669	44
Chevy Chase View	987	0	41,275	41,275	42
Chevy Chase Village	2,062	0	100,524	100,524	49

Appendix 2 (continued)

Jurisdiction	Population July 2016	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Drummond	0	0	4,613	4,613	0
Friendship Heights	0	0	95,245	95,245	0
Gaithersburg	67,776	0	1,206,567	1,206,567	18
Garrett Park	1,046	0	48,367	48,367	46
Glen Echo	269	0	20,762	20,762	77
Kensington	2,379	0	156,809	156,809	66
Laytonsville	374	0	14,293	14,293	38
Martin's Additions	997	0	26,832	26,832	27
North Chevy Chase	587	0	25,195	25,195	43
Oakmont	0	0	3,278	3,278	0
Poolesville	5,190	0	228,936	228,936	44
Rockville	66,940	0	2,409,750	2,409,750	36
Somerset	1,277	0	56,173	56,173	44
Takoma Park	17,765	0	3,513,643	3,513,643	198
Washington Grove	564	0	44,922	44,922	80
Prince George's					
Berwyn Heights	3,275	\$424,551	\$7,560	\$432,111	\$132
Bladensburg	9,608	557,647	22,146	579,793	60
Bowie	58,393	9,356,389	149,877	9,506,266	163
Brentwood	3,183	163,769	7,374	171,143	54
Capitol Heights	4,545	360,474	10,499	370,973	82
Cheverly	6,469	846,300	16,906	863,206	133
College Park	32,275	835,754	83,290	919,044	28
Colmar Manor	1,464	93,204	3,399	96,603	66
Cottage City	1,368	107,053	3,159	110,212	81
District Heights	6,017	449,685	15,982	465,667	77
Eagle Harbor	65	519	153	672	10
Edmonston	1,516	189,947	3,498	193,445	128
Fairmount Heights	1,567	56,189	3,617	59,806	38
Forest Heights	2,577	157,003	5,924	162,927	63
Glenarden	6,178	590,518	14,525	605,043	98
Greenbelt	23,909	3,097,199	63,175	3,160,374	132
Hyattsville	18,449	2,834,223	48,082	2,882,305	156
Landover Hills	1,808	165,059	4,084	169,143	94
Laurel	25,853	4,947,646	68,781	5,016,427	194
Morningside	2,046	74,703	5,518	80,221	39
Mt. Rainier	8,455	566,414	19,560	585,974	69
New Carrollton	12,868	947,957	29,377	977,334	76
North Brentwood	540	2,208	1,252	3,460	6

Appendix 2 (continued)

Jurisdiction	Population July 2016	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Riverdale Park	7,304	912,550	16,839	929,389	127
Seat Pleasant	4,769	376,226	10,995	387,221	81
University Park	2,659	455,340	6,168	461,508	174
Upper Marlboro	669	119,361	1,730	121,091	181
Queen Anne's					
Barclay	118	\$0	\$7,373	\$7,373	\$62
Centreville	4,680	506,874	0	506,874	108
Church Hill	744	0	26,033	26,033	35
Millington*	41	742	0	742	18
Queen Anne*	126	0	3,363	3,363	27
Queenstown	659	0	110,720	110,720	168
Sudlersville	472	19,798	0	19,798	42
Templeville*	87	0	950	950	11
St. Mary's					
Leonardtwn	3,769	\$0	\$43,943	\$43,943	\$12
Somerset					
Crisfield	2,630	\$0	\$180,000	\$180,000	\$68
Princess Anne	3,593	0	180,000	180,000	50
Talbot					
Easton	16,550	\$3,010,853	\$0	\$3,010,853	\$182
Oxford	617	393,821	0	393,821	638
Queen Anne*	89	9,024	0	9,024	101
St. Michaels	1,038	398,862	0	398,862	384
Trappe	1,015	95,821	0	95,821	94
Washington					
Boonsboro	3,510	\$351,445	\$0	\$351,445	\$100
Clear Spring	350	27,117	0	27,117	77
Funkstown	884	59,556	0	59,556	67
Hagerstown	40,452	3,208,912	0	3,208,912	79
Hancock	1,553	112,910	0	112,910	73
Keedysville	1,161	106,479	0	106,479	92
Sharpsburg	703	49,832	0	49,832	71
Smithsburg	3,000	218,817	0	218,817	73
Williamsport	2,160	133,268	0	133,268	62

Appendix 2 (continued)

Jurisdiction	Population July 2016	Tax Differential	Tax Rebate	Total Amount	Per Capita Amount
Wicomico					
Delmar	3,203	\$0	\$0	\$0	\$0
Fruitland	5,234	0	0	0	0
Hebron	1,095	0	0	0	0
Mardela Springs	351	0	0	0	0
Pittsville	1,445	0	0	0	0
Salisbury	33,114	0	0	0	0
Sharptown	652	0	0	0	0
Willards	997	0	0	0	0
Worcester					
Berlin	4,608	\$0	\$0	\$0	\$0
Ocean City	6,999	0	0	0	0
Pocomoke City	4,101	0	0	0	0
Snow Hill	2,071	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 2017

Jurisdiction	County Property Tax Rate	Tax Differential Share of County Tax Rate
Allegany	\$0.977	
Barton	0.894	8.5%
Cumberland	0.845	13.5%
Frostburg	0.853	12.7%
Lonaconing	0.870	11.0%
Luke	0.867	11.3%
Midland	0.894	8.5%
Westernport	0.894	8.5%
Anne Arundel	\$0.915	
Annapolis	0.548	40.1%
Highland Beach	0.915	0.0%
Calvert	\$0.952	
Chesapeake Beach	0.616	35.3%
North Beach	0.616	35.3%
Caroline	\$0.980	
Denton	0.920	6.1%
Federalsburg	0.890	9.2%
Goldsboro	0.980	0.0%
Greensboro	0.910	7.1%
Henderson	0.980	0.0%
Hillsboro	0.980	0.0%
Marydel	0.980	0.0%
Preston	0.950	3.1%
Ridgely	0.910	7.1%
Templeville	0.980	0.0%
Charles	\$1.141	
Indian Head	1.096	3.9%
La Plata	1.006	11.8%
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	0.927	5.1%
Church Creek	0.976	0.0%
East New Market	0.976	0.0%
Eldorado	0.976	0.0%
Galestown	0.976	0.0%
Hurlock	0.926	5.1%
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	0.937	11.6%
Middletown	1.060	0.0%
Mount Airy	1.060	0.0%
Myersville	0.935	11.8%
New Market	1.060	0.0%
Rosemont	1.060	0.0%
Thurmont	1.060	0.0%
Walkersville	1.060	0.0%
Woodsboro	1.060	0.0%
Garrett	\$0.990	
Accident	0.990	0.0%
Deer Park	0.990	0.0%
Friendsville	0.990	0.0%
Grantsville	0.990	0.0%
Kitzmiller	0.990	0.0%
Loch Lynn Heights	0.990	0.0%
Mountain Lake Park	0.928	6.3%
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	0.873	12.7%
Bladensburg	0.890	11.0%
Bowie	0.868	13.2%
Brentwood	0.928	7.2%
Capitol Heights	0.882	11.8%
Cheverly	0.881	11.9%
College Park	0.970	3.0%
Colmar Manor	0.906	9.4%
Cottage City	0.894	10.6%
District Heights	0.877	12.3%
Eagle Harbor	0.993	0.7%
Edmonston	0.897	10.3%
Fairmount Heights	0.944	5.6%
Forest Heights	0.912	8.8%
Glenarden	0.880	12.0%
Greenbelt	0.859	14.1%
Hyattsville	0.864	13.6%
Landover Hills	0.889	11.1%
Laurel	0.834	16.6%
Morningside	0.925	7.5%
Mt. Rainier	0.866	13.4%
New Carrollton	0.882	11.8%
North Brentwood	0.996	0.4%
Riverdale Park	0.864	13.6%
Seat Pleasant	0.876	12.4%
University Park	0.875	12.5%
Upper Marlboro	0.921	7.9%

Appendix 3 (continued)

Jurisdiction	County Property Tax Rate	Tax Differential Share of County Tax Rate
Queen Anne's County	\$0.847	
Barclay	0.847	0.0%
Centreville	0.752	11.2%
Church Hill	0.847	0.0%
Millington	0.793	6.4%
Queen Anne	0.847	0.0%
Queenstown	0.847	0.0%
Sudlersville	0.793	6.4%
Templeville	0.847	0.0%
Talbot	\$0.547	
Easton	0.414	24.3%
Oxford	0.430	21.4%
Queen Anne	0.486	11.1%
St. Michaels	0.420	23.2%
Trappe	0.449	17.9%
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 2017**

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Allegany	72,130	\$0.977			\$0.977
Barton	431	0.894	\$0.173	-	1.066
Cumberland	19,978	0.845	0.965	-	1.811
Frostburg	8,676	0.853	0.640	-	1.493
Lonaconing	1,134	0.870	0.350	-	1.219
Luke	63	0.867	1.060	-	1.927
Midland	425	0.894	0.280	-	1.174
Westernport	1,796	0.894	0.600	-	1.494
Anne Arundel	568,346	\$0.915			\$0.915
Annapolis	39,418	0.548	\$0.649	-	1.197
Highland Beach	103	0.915	0.406	-	1.321
Baltimore City	614,664	\$2.248			\$2.248
Baltimore	831,026	\$1.100			\$1.100
Calvert	91,251	\$0.952			\$0.952
Chesapeake Beach	5,911	0.616	\$0.350	-	0.966
North Beach	2,019	0.616	0.633	-	1.249
Caroline	32,850	\$0.980			\$0.980
Denton	4,388	0.920	\$0.720	-	1.640
Federalsburg	2,674	0.890	0.830	-	1.720
Goldsboro	238	0.980	0.470	-	1.450
Greensboro	1,882	0.910	0.750	-	1.660
Henderson	145	0.980	0.480	-	1.460
Hillsboro	159	0.980	0.160	-	1.140
Marydel	141	0.980	0.300	-	1.280
Preston	706	0.950	0.360	-	1.310
Ridgely	1,624	0.910	0.590	-	1.500
Templeville*	27	0.980	0.579	-	1.559

Appendix 4 (continued)

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Carroll	167,656	\$1.018			\$1.018
Hampstead	6,355	1.018	\$0.220	-	1.238
Manchester	4,818	1.018	0.216	-	1.234
Mount Airy*	5,512	1.018	0.170	-	1.188
New Windsor	1,400	1.018	0.262	-	1.280
Sykesville	3,941	1.018	0.350	-	1.368
Taneytown	6,760	1.018	0.370	-	1.388
Union Bridge	970	1.018	0.350	-	1.368
Westminster	18,671	1.018	0.560	-	1.578
Cecil	102,603	\$0.991			\$0.991
Cecilton	675	0.991	\$0.237	-	1.229
Charlestown	1,196	0.991	0.333	-	1.325
Chesapeake City	700	0.991	0.449	-	1.440
Elkton	15,744	0.991	0.586	-	1.577
North East	3,650	0.991	0.480	-	1.471
Perryville	4,419	0.991	0.310	-	1.301
Port Deposit	767	0.991	0.551	-	1.542
Rising Sun	2,799	0.991	0.480	-	1.471
Charles	157,705	\$1.141		\$0.064	\$1.205
Indian Head	3,824	1.096	\$0.300	0.064	1.460
La Plata	9,239	1.006	0.320	0.064	1.390
Port Tobacco	13	1.141	0.040	0.064	1.245
Dorchester	32,258	\$0.976			\$0.976
Brookview	59	0.976	\$0.300	-	1.276
Cambridge	12,468	0.927	0.799	-	1.726
Church Creek	123	0.976	0.170	-	1.146
East New Market	381	0.976	0.711	-	1.687
Eldorado	58	0.976	0.190	-	1.166
Galestown	135	0.976	0.310	-	1.286
Hurlock	2,027	0.926	0.834	-	1.760
Secretary	520	0.976	0.338	-	1.314
Vienna	275	0.976	0.480	-	1.456

Appendix 4 (continued)

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Frederick	247,591	\$1.060		-	\$1.060
Brunswick	6,171	1.060	\$0.440	-	1.500
Burkittsville	157	1.060	0.190	-	1.250
Emmitsburg	3,038	1.060	0.360	-	1.420
Frederick	70,060	0.937	0.731	-	1.668
Middletown	4,515	1.060	0.232	-	1.292
Mount Airy*	3,862	1.060	0.170	-	1.230
Myersville	1,723	0.935	0.391	-	1.326
New Market	704	1.060	0.120	-	1.180
Rosemont	308	1.060	0.040	-	1.100
Thurmont	6,528	1.060	0.293	-	1.353
Walkersville	6,054	1.060	0.160	-	1.220
Woodsboro	1,208	1.060	0.125	-	1.185
Garrett	29,425	\$0.990			\$0.990
Accident	316	0.990	\$0.316	-	1.306
Deer Park	380	0.990	0.300	-	1.290
Friendsville	474	0.990	0.340	-	1.330
Grantsville	764	0.990	0.200	-	1.190
Kitzmiller	309	0.990	0.360	-	1.350
Loch Lynn Heights	535	0.990	0.320	-	1.310
Mountain Lake Park	2,111	0.928	0.414	-	1.342
Oakland	1,873	0.990	0.472	-	1.462
Harford	251,032	\$1.042			\$1.042
Aberdeen	15,612	0.894	\$0.657	-	1.550
Bel Air	10,109	0.894	0.500	-	1.394
Havre de Grace	13,527	0.894	0.570	-	1.463
Howard	317,233	\$1.014		\$0.176	\$1.190
Kent	19,730	\$1.022			\$1.022
Betterton	324	1.022	\$0.320	-	1.342
Chestertown	5,080	1.022	0.370	-	1.392
Galena	594	1.022	0.240	-	1.262

Appendix 4 (continued)

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Millington*	572	1.022	0.280	-	1.302
Rock Hall	1,298	1.022	0.320	-	1.342
Montgomery	1,043,863	\$0.773		\$0.265	\$1.038
Barnesville	179	0.773	\$0.051	0.190	1.015
Brookeville	132	0.773	0.200	0.190	1.163
Chevy Chase, Sec. 3	793	0.773	0.020	0.265	1.058
Chevy Chase, Sec. 5	711	0.773	0.000	0.265	1.038
Chevy Chase	2,989	0.773	0.010	0.265	1.048
Chevy Chase View	987	0.773	0.022	0.265	1.060
Chevy Chase Village	2,062	0.773	0.081	0.265	1.119
Gaithersburg	67,776	0.773	0.262	0.167	1.202
Garrett Park	1,046	0.773	0.210	0.262	1.245
Glen Echo	269	0.773	0.140	0.265	1.178
Kensington	2,379	0.773	0.136	0.262	1.171
Laytonsville	374	0.773	0.090	0.190	1.053
Martin's Additions	997	0.773	0.047	0.265	1.085
North Chevy Chase	587	0.773	0.052	0.265	1.090
Poolesville	5,190	0.773	0.176	0.190	1.139
Rockville	66,940	0.773	0.622	0.167	1.562
Somerset	1,277	0.773	0.100	0.265	1.138
Takoma Park	17,765	0.773	0.568	0.262	1.603
Washington Grove	564	0.773	0.270	0.167	1.210
Prince George's	908,049	\$1.000		\$0.374	\$1.374
Berwyn Heights	3,275	0.873	\$0.530	0.374	1.777
Bladensburg	9,608	0.890	0.740	0.374	2.004
Bowie	58,393	0.868	0.400	0.320	1.588
Brentwood	3,183	0.928	0.411	0.374	1.713
Capitol Heights	4,545	0.882	0.446	0.374	1.702
Cheverly	6,469	0.881	0.560	0.374	1.815
College Park	32,275	0.970	0.335	0.374	1.679
Colmar Manor	1,464	0.906	1.223	0.374	2.503
Cottage City	1,368	0.894	0.650	0.374	1.918
District Heights	6,017	0.877	0.884	0.215	1.976
Eagle Harbor	65	0.993	0.473	0.374	1.840

Appendix 4 (continued)

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Edmonston	1,516	0.897	0.638	0.374	1.909
Fairmount Heights	1,567	0.944	0.460	0.374	1.778
Forest Heights	2,577	0.912	0.625	0.374	1.911
Glenarden	6,178	0.880	0.331	0.374	1.585
Greenbelt	23,909	0.859	0.813	0.215	1.886
Hyattsville	18,449	0.864	0.630	0.374	1.868
Landover Hills	1,808	0.889	0.520	0.374	1.783
Laurel	25,853	0.834	0.710	0.158	1.702
Morningside	2,046	0.925	0.740	0.374	2.039
Mt. Rainier	8,455	0.866	0.860	0.374	2.100
New Carrollton	12,868	0.882	0.665	0.374	1.921
North Brentwood	540	0.996	0.440	0.374	1.810
Riverdale Park	7,304	0.864	0.654	0.374	1.892
Seat Pleasant	4,769	0.876	0.580	0.374	1.830
University Park	2,659	0.875	0.608	0.374	1.857
Upper Marlboro	669	0.921	0.240	0.374	1.535
Queen Anne's	48,929	\$0.847			\$0.847
Barclay	118	0.847	\$0.200	-	1.047
Centreville	4,680	0.752	0.410	-	1.162
Church Hill	744	0.847	0.340	-	1.187
Millington*	41	0.793	0.280	-	1.073
Queen Anne*	126	0.847	0.180	-	1.027
Queenstown	659	0.847	0.181	-	1.028
Sudlersville	472	0.793	0.167	-	0.960
Templeville*	87	0.847	0.579	-	1.426
St. Mary's	112,587	\$0.852			\$0.852
Leonardtown	3,769	0.852	\$0.127	-	0.979
Somerset	25,928	\$1.000			\$1.000
Crisfield	2,630	1.000	\$0.870	-	1.870
Princess Anne	3,593	1.000	1.051	-	2.051
Talbot	37,278	\$0.547			\$0.547
Easton	16,550	0.414	\$0.520	-	0.934

Appendix 4 (continued)

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Oxford	617	0.430	0.295	-	0.725
Queen Anne*	89	0.486	0.180	-	0.666
St. Michaels	1,038	0.420	0.460	-	0.880
Trappe	1,015	0.449	0.310	-	0.759
Washington	150,292	\$0.948			\$0.948
Boonsboro	3,510	0.823	\$0.359	-	1.182
Clear Spring	350	0.823	0.280	-	1.103
Funkstown	884	0.823	0.360	-	1.183
Hagerstown	40,452	0.823	0.913	-	1.736
Hancock	1,553	0.823	0.520	-	1.343
Keedysville	1,161	0.823	0.180	-	1.003
Sharpsburg	703	0.823	0.350	-	1.173
Smithsburg	3,000	0.823	0.350	-	1.173
Williamsport	2,160	0.823	0.485	-	1.308
Wicomico	102,577	\$0.952			\$0.952
Delmar	3,203	0.952	\$0.819	-	1.770
Fruitland	5,234	0.952	0.960	-	1.912
Hebron	1,095	0.952	0.445	-	1.397
Mardela Springs	351	0.952	0.230	-	1.182
Pittsville	1,445	0.952	0.280	-	1.232
Salisbury	33,114	0.952	0.943	-	1.895
Sharptown	652	0.952	0.600	-	1.552
Willards	997	0.952	0.510	-	1.462
Worcester	51,444	\$0.835			\$0.835
Berlin	4,608	0.835	\$0.680	-	1.515
Ocean City	6,999	0.835	0.473	-	1.308
Pocomoke City	4,101	0.835	0.938	-	1.773
Snow Hill	2,071	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, 2016

County	County Population	Municipal Population	Percent of County	Rank
Allegany	72,130	32,503	45.1%	3
Anne Arundel	568,346	39,521	7.0%	20
Baltimore City	614,664	0	0.0%	24
Baltimore	831,026	0	0.0%	24
Calvert	91,251	7,930	8.7%	18
Caroline	32,850	11,984	36.5%	7
Carroll	167,656	48,427	28.9%	11
Cecil	102,603	29,950	29.2%	10
Charles	157,705	13,076	8.3%	19
Dorchester	32,258	16,046	49.7%	2
Frederick	247,591	104,328	42.1%	5
Garrett	29,425	6,762	23.0%	14
Harford	251,032	39,248	15.6%	16
Howard	317,233	0	0.0%	24
Kent	19,730	7,868	39.9%	6
Montgomery	1,043,863	173,017	16.6%	15
Prince George's	908,049	247,829	27.3%	12
Queen Anne's	48,929	6,927	14.2%	17
St. Mary's	112,587	3,769	3.3%	21
Somerset	25,928	6,223	24.0%	13
Talbot	37,278	19,309	51.8%	1
Washington	150,292	53,773	35.8%	8
Wicomico	102,577	46,091	44.9%	4
Worcester	51,444	17,779	34.6%	9
Total	6,016,447	932,360	15.5%	

Source: Maryland Department of Planning; Department of Legislative Services

Appendix 6. Local Government Expenditures by Category Fiscal 2015

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Category	Total Local Expenditures	Percent of Total	County Expenditures	Municipal Expenditures	Percent County	Percent Municipal
General Government	\$1,901,356,773	6.2%	\$1,724,990,404	\$176,366,369	90.7%	9.3%
Public Safety						
Police	1,879,005,612	6.1%	1,644,419,300	234,586,312	87.5%	12.5%
Fire	1,052,443,658	3.4%	999,871,477	52,572,181	95.0%	5.0%
Corrections	391,052,138	1.3%	391,052,138	-	100.0%	0.0%
Other	358,067,080	1.2%	316,586,019	41,481,061	88.4%	11.6%
Public Works						
Transportation	1,631,291,138	5.3%	1,440,512,023	190,779,115	88.3%	11.7%
Sewer/Solid Waste/Water	2,404,452,737	7.8%	2,083,982,784	320,469,953	86.7%	13.3%
Other	86,343,751	0.3%	117,333	86,226,418	0.1%	99.9%
Education						
Public Schools	13,977,826,024	45.6%	13,977,826,024	-	100.0%	0.0%
Community Colleges	1,369,846,994	4.5%	1,369,846,994	-	100.0%	0.0%
Libraries	329,280,632	1.1%	329,280,632	-	100.0%	0.0%
Health/Social Services	1,096,219,895	3.6%	1,096,219,895	-	100.0%	0.0%
Parks and Recreation	799,060,199	2.6%	688,080,655	110,979,544	86.1%	13.9%
Community/Economic Development	841,888,408	2.7%	794,628,423	47,259,985	94.4%	5.6%
Miscellaneous	1,004,336,305	3.3%	953,742,819	50,593,486	95.0%	5.0%
Debt Service	1,546,766,811	5.0%	1,464,445,430	82,321,381	94.7%	5.3%
Total	\$30,669,238,155	100.0%	\$29,275,602,350	\$1,393,635,805	95.5%	4.5%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Appendix 7. Local Government Expenditures by County
Fiscal 2015
(\$ in Millions)

County	County Level	Municipal Level	Total	Percent County	Percent Municipal
Allegany	\$257.9	\$60.8	\$318.7	80.9%	19.1%
Anne Arundel	2,423.7	95.8	2,519.5	96.2%	3.8%
Baltimore City	3,680.7	0.0	3,680.7	100.0%	0.0%
Baltimore	3,480.9	0.0	3,480.9	100.0%	0.0%
Calvert	416.1	11.5	427.6	97.3%	2.7%
Caroline	132.0	16.0	147.9	89.2%	10.8%
Carroll	668.9	54.5	723.4	92.5%	7.5%
Cecil	397.8	41.0	438.8	90.7%	9.3%
Charles	748.6	15.5	764.1	98.0%	2.0%
Dorchester	121.0	25.8	146.8	82.4%	17.6%
Frederick	1,022.5	162.6	1,185.1	86.3%	13.7%
Garrett	140.7	7.3	148.0	95.1%	4.9%
Harford	1,041.0	62.3	1,103.3	94.4%	5.6%
Howard	1,918.1	0.0	1,918.1	100.0%	0.0%
Kent	75.3	12.7	88.0	85.5%	14.5%
Montgomery	6,336.6	218.6	6,555.1	96.7%	3.3%
Prince George's	4,338.6	192.0	4,530.5	95.8%	4.2%
Queen Anne's	219.8	9.0	228.8	96.1%	3.9%
St. Mary's	439.4	4.1	443.4	99.1%	0.9%
Somerset	90.1	9.2	99.3	90.8%	9.2%
Talbot	129.2	78.8	208.0	62.1%	37.9%
Washington	542.7	112.5	655.2	82.8%	17.2%
Wicomico	380.2	64.0	444.2	85.6%	14.4%
Worcester	273.8	139.7	413.6	66.2%	33.8%
Statewide	\$29,275.6	\$1,393.6	\$30,669.2	95.5%	4.5%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Appendix 8. County and Municipal Government Expenditures
Exclusive of Local Board Expenditures
Fiscal 2015
(\$ in Millions)

County	County Level	Municipal Level	Total	Percent County	Percent Municipal
Allegany	\$84.7	\$60.8	\$145.6	58.2%	41.8%
Anne Arundel	1,015.7	95.8	1,111.5	91.4%	8.6%
Baltimore City	2,208.5	0.0	2,208.5	100.0%	0.0%
Baltimore	1,560.1	0.0	1,560.1	100.0%	0.0%
Calvert	158.2	11.5	169.7	93.2%	6.8%
Caroline	37.5	16.0	53.5	70.1%	29.9%
Carroll	249.2	54.5	303.7	82.0%	18.0%
Cecil	126.2	41.0	167.2	75.5%	24.5%
Charles	305.0	15.5	320.6	95.2%	4.8%
Dorchester	44.8	25.8	70.7	63.5%	36.5%
Frederick	373.7	162.6	536.3	69.7%	30.3%
Garrett	63.2	7.3	70.5	89.6%	10.4%
Harford	427.1	62.3	489.4	87.3%	12.7%
Howard	848.4	0.0	848.4	100.0%	0.0%
Kent	38.8	12.7	51.5	75.3%	24.7%
Montgomery	3,179.5	218.6	3,398.1	93.6%	6.4%
Prince George's	2,098.7	192.0	2,290.7	91.6%	8.4%
Queen Anne's	92.0	9.0	101.0	91.1%	8.9%
St. Mary's	162.9	4.1	166.9	97.6%	2.4%
Somerset	39.5	9.2	48.7	81.2%	18.8%
Talbot	58.4	78.8	137.2	42.6%	57.4%
Washington	171.2	112.5	283.7	60.4%	39.6%
Wicomico	128.9	64.0	192.9	66.8%	33.2%
Worcester	126.3	139.7	266.0	47.5%	52.5%
Statewide	\$13,598.6	\$1,393.6	\$14,992.3	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 2015*, Department of Legislative Services

