

Prince George's County Council

Agenda Item Summary

Meeting Date: 5/20/2008
Reference No.: CB-010-2008
Draft No.: 2
Proposer(s): County Executive
Sponsor(s): Dean
Item Title: An Act increasing the County recordation tax rate to Two Dollars and Fifty Cents (\$2.50) for each Five Hundred Dollars (\$500.00) on all instruments of writing subject to the tax

Drafter: Joseph R. Hamlin, Office of Law
Resource Personnel: Jonathan R. Seeman, Director

LEGISLATIVE HISTORY:

Date Presented:	4/1/2008	Executive Action:	6/12/2008 S
Committee Referral:	4/1/2008 - PSFM	Effective Date:	7/5/2008

Committee Action: 4/14/2008 - HELD
4/28/2008 - NR(A)

Date Introduced: 4/29/2008
Public Hearing: 5/20/2008 - 10:00 AM

Council Action (1) 5/20/2008 - ENACTED
Council Votes: MB:A, WC:A, SHD:A, TD:A, CE:A, AH:AB, TK:A, EO:A, IT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

10-192

COMMITTEE REPORTS:

PUBLIC SAFETY & FISCAL MANAGEMENT

Date 4/28/2008

Committee Vote: 4-0, No Recommendation as amended, (In favor: Councilmembers Knotts, Campos, Dean and Exum.)

This bill will amend Section 10-192 of the County Code by increasing the County recordation tax rate from \$2.20 to \$2.50 for each \$500.00 subject to the tax. Also included in this legislation is an abrogation clause which states that this increase shall be effective for three years and that after the three years, without further action by the County Council, the rate will return to \$2.20 for each \$500.00 subject to the tax. The increase will be effective July 1, 2008.

The Office of Law has reviewed the bill and finds it to be in proper legislative form with no legal impediment to its enactment.

This bill was held in Committee on 4/14/08.

The legislation was amended as follows:

1. On page 1, line 21, delete “July 1, 2008” and insert “July 5, 2008”
2. On page 1, line 21, delete “for a period of three years and, at the end of that three year period” and insert “until July 1, 2011 and on that date,”

The fiscal impact on the County will be positive with the enactment of CB-10-2008 since the tax rate increase will generate approximately \$5.4 million in FY2009.

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

Pursuant to Section 12-103(b) of the Tax – Property Article of the Maryland Code, the governing body of a county is authorized to set, by law, the recordation tax rate in the county. This Act will amend Section 10-192 of the Prince George’s County Code to increase the County recordation tax rate from Two Dollars and Twenty Cents (\$2.20) to Two Dollars and Fifty Cents (\$2.50) for each Five Hundred Dollars (\$500.00) subject to the tax. This Act contains an abrogation clause providing that it shall be effective for three years and that after three years, without further action of the County Council, the tax rate shall return to Two Dollars and Twenty Cents (\$2.20) for each Five Hundred Dollars (\$500.00) subject to the tax. The tax rate increase is expected to generate approximately \$5.4 million in FY 2009 and will become effective on July 1, 2008.

CODE INDEX TOPICS:

INCLUSION FILES:
