

Prince George's County Council Agenda Item Summary

Meeting Date: 7/19/2011
Reference No.: CB-028-2011
Draft No.: 1
Proposer(s): County Executive
Sponsor(s): Turner
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: Thomas M. Himler, Office of Management and Budget
Resource Personnel: Thomas M. Himler, Office of Management and Budget

LEGISLATIVE HISTORY:

Date Presented:	6/21/2011	Executive Action:	7/21/2011 S
Committee Referral:	6/21/2011 - C.O.W.	Effective Date:	9/6/2011

Committee Action: 6/21/2011 - FAV

Date Introduced: 6/21/2011
Public Hearing: 7/19/2011 - 10:00 AM

Council Action (1) 7/19/2011 - ENACTED
Council Votes: WC:-, MRF:A, AH:-, LJ:A, ML:A, EO:A, OP:A, IT:-, KT:A
Pass/Fail: P
Remarks: Retroactively effective to 7/1/2011

AFFECTED CODE SECTIONS:

10-192

COMMITTEE REPORTS:

Committee of the Whole

Date 6/21/2011

Committee Vote: Favorable, 8-0, (In favor: Councilmembers Turner, Campos, Franklin, Johnson, Lehman, Olson, Patterson, and Toles)

This Bill will increase the County recordation tax rate from \$2.20 to \$2.50 for each \$500 subject to the tax.

Currently, the tax rate is \$2.50 for each \$500 subject to the tax; however this rate will expire on June 30, 2011. It is necessary to maintain the tax rate to insure a balanced budget in FY-2012.

The enactment of CB-28-2011 will have a positive impact on the County.

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) on all instruments of writing subject to the tax.

Currently, the tax rate is Two Dollars and Fifty Cents (\$2.50) for each Five Hundred Dollars (\$500.00) on all instruments of writing subject to the tax. However, this rate was set by CB-10-2008 which, by its terms, is abrogated and of no further force and effect as of July 1, 2011, causing the rate to revert to Two Dollars and Twenty Cents (\$2.20) for each Five Hundred Dollars (\$500.00). This legislation nullifies the abrogation clause of CB-10-2008, by continuing the tax rate at Two Dollars and Fifty Cents (\$2.50) for each Five Hundred Dollars (\$500.00), and making that rate retroactively effective to July 1, 2011. It also ensures a balanced budget in FY 2012.

CODE INDEX TOPICS:

INCLUSION FILES:
