





for FY 93. Based on a statistical study, the average transfer tax in FY 91 was \$1,881 representing an average value of \$125,000 for Residential properties. This exemption would provide tax relief of approximately \$600 for both Transfer and Recordation Taxes, representing relief of 24% for the average transfer.

Noel Temple Wood, resident of Ft. Washington expressed his support for CB-94-1991. He said "this is an important first step toward reduction and eventual elimination of narrow focus taxes and fees which have such a disproportionate and adverse effect on the economic activity in our County". Also, this bill will enhance housing affordability particularly for the first time homebuyers whose typical first home purchase is in the lower end of the price range. He urged the Council to consider and make the changes which will make home ownership attainable for more people in Prince George's County.

The Legislative Officer has reviewed this legislation and finds it to be in proper legislative form.

The estimated fiscal impact on the County resulting from the adoption of this bill will be negative in the amount of approximately \$8,337,150 annually.

**BACKGROUND INFORMATION/FISCAL IMPACT**

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

The proposed legislation would provide that the first thirty thousand dollars (\$30,000) of actual consideration paid by the buyer of residentially improved owner-occupied real property is exempted from recordation and transfer taxes. The legislation also corrects references to the Annotated Code of Maryland in this regard.