
A G E N D A I T E M S U M M A R Y

Reference No: CB-83-1991

Draft No: 1

P r i n c e G e o r g e ' s

Meeting Date: 11/19/91

C o u n t y C o u n c i l

Requester: CO. EXEC.

Item Title: To establish the homestead property tax credit for the County property tax for the taxable year beginning July 1, 1992, as required by State law

Sponsors B P D F C

Date Presented 9/24/91 **Executive Action** 12/2/91 S
Committee Referral (1) 9/24/91 FP&GO **Effective Date** 1/17/92
Committee Action (1) 10/15/91 FAV
Date Introduced 10/22/91
Pub. Hearing Date (1) 11/19/91 1:30 PM

Council Action (1) 11/19/91 Enacted
Council Votes CA: A_, B_: A_, C_: A_, D_: A_, F_: A_, MC: A_,
M_: A_, P_: A_, WI: A_, __: __, __: __, __: __
Pass/Fail P

Remarks _____

Drafter: Barbara L. Holtz, **Resource** Barbara L. Holtz,
Office of Law **Personnel:** Office of Law

LEGISLATIVE HISTORY

Fiscal Policy and Government Operation Date: October 15, 1991
Committee Report

Committee Vote: Favorable, 7-0 (In favor: Council Members Wineland, Casula, Del Giudice, Fletcher, MacKinnon, Mills and Pemberton)

Last year the Homestead Property tax credit percentage was set at 110% primarily because of two factors: (1) Economic slowdown in the County and (2) the County's Charter limitation on the local county tax rate. The Office of Management and Budget supports the continuation of the 110% cap for the tax year beginning July 1, 1992.

The following taxes will be foregone in FY 93 due to the 110% Credit Ceiling:

	<u>Tax Rate</u>	<u>Tax Base</u>	<u>Tax Relief</u>
County	\$2.40	\$59,398,300	\$1,425,559
Pre-TRIM	0.08	59,398,300	47,519
Total			<u>\$1,473,078</u>
No. of Accounts			44,699
Account			\$32.96

Comparatively, in FY 92 the tax relief was approximately \$426,000 impacting about 22,000 accounts or relief per tax account of \$19.36.

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

Since the tax credit rate for FY 93 is set at the same rate as FY 92 (110%) there will be an additional negative fiscal impact based on the variances in assessment amounts. Therefore, the negative impact on the County as a result of adopting CB-83-1991 would be approximately \$1,047,078.

BACKGROUND INFORMATION/FISCAL IMPACT

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

This bill will establish the homestead property tax credit for the County property tax for the taxable year beginning July 1, 1992, as required by State law.