

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2020 Legislative Session

Reference No.: CB-057-2020

Draft No.: 1

Committee: COMMITTEE OF THE WHOLE

Date: 9/24/2020

Action: FAV

REPORT: Favorable 11-0: Council Members Turner, Anderson-Walker, Davis, Dernoga, Franklin, Glaros, Harrison, Hawkins, Ivey, Streeter and Taveras

The Prince George's County Council convened as the Committee of the Whole on September 24, 2020 to consider CB-057-2020. As proposed CB-057-2020 will establish the Homestead Property Tax Credit for the taxable year beginning July 1, 2021 as required by state law.

Based on the Consumer Price Index the Homestead property tax credit needs to be set at 101% for the taxable year beginning July 1, 2021.

The Homestead property tax credit was created to limit taxable assessment increases on a property which serves as the principal residence.

The Office of Law finds CB-057-2020 to be in proper legislative form and legally sufficient with no legal impediments to its enactment.

The Policy Analyst Group reports that the enactment of CB-057-2020 relates to anticipated revenues for FY'22 for which a budget has not been adopted to date. According to Stanley Earley, Director of Office of Management and Budget, at the 101% rate, the County will forgo \$84 million in revenues.

During the discussion a question was raised as to what would happen if the Council took no action. This was referred to the Office of Law.

After discussion, the Prince George's County Council, sitting as the Committee of the Whole reported CB-057-2020 out favorably, 11-0.