

July 1, 2013



REGULAR SESSION #12

TOWN OF OCEAN CITY, MARYLAND  
301 N. BALTIMORE AVENUE, OCEAN CITY, MARYLAND 21842

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**THE HONORABLE MAYOR AND CITY COUNCIL PRESIDING**

**MAYOR RICHARD W. MEEHAN**

**COUNCIL PRESIDENT LLOYD MARTIN  
COUNCIL SECRETARY MARY KNIGHT**

**MARGARET PILLAS  
DOUGLAS CYMEK  
BRENT ASHLEY  
DENNIS DARE  
JOSEPH MITRECIC**

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**CALL TO ORDER**

Council President Lloyd Martin called the meeting to order at 6:00 PM in the Council Chambers of City Hall located at 301 North Baltimore Avenue in Ocean City, Maryland.

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**PRAYER AND PLEDGE**

Mayor Rick Meehan acknowledged the loss of fallen Ocean City Police Officers Thomas Geoghegan, Jr. and Joshua Adickes who passed away in a plane crash off the coast of Ocean City, Maryland on June 30, 2013.

Beach Patrol Lieutenant Ward Kovacs led the prayer and Pledge of Allegiance.

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**APPROVAL OF MINUTES**

The Minutes for Regular Session #11 dated June 17, 2013 were approved as presented.

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**ITEMS PRESENTED BY THE MAYOR AND CITY COUNCIL**

- A. Mayor Rick Meehan swore in Ocean City Police Chief Ross Buzzuro
- B. Council Standing Committee Draft Agendas for the Week of July 8, 2013 (see Attachments A-C)
  - Council Member Joe Mitrecic reviewed the July 9, 2013 Recreation and Parks Meeting Agenda
  - Council Secretary Mary Knight led the July 8, 2013 Tourism Meeting Agenda
  - Council Member Doug Cymek reviewed the July 8, 2013 Police Commission Meeting Agenda

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**CONSENT AGENDA**

- A. Ocean City Jeep Week Parade – August 23, 2013
- B. Atlantic Club's 2nd Annual Walk for Recovery – September 7, 2013
- C. OCToberfest – October 19-20, 2013 and October 26-27, 2013
- D. Democratic Club of Ocean City/Berlin Approval Request to Serve Beer and Wine at Fiesta Park Picnic
- E. Request Permission to Solicit Bids for:
  - 1. 51st Street Well House Construction
  - 2. Annual Standby Generator Maintenance Contract
  - 3. 3-Year Fire Alarm Maintenance Contract
  - 4. 3-Year HVAC Maintenance Contract

**Council Member Dennis Dare moved to approve Items A-E as presented; seconded by Council Secretary Knight. The vote was unanimous.**

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**MISCELLENEOUS REPORTS AND PRESENTATIONS**

- A. Private Event Approval Request for USSSA World Series Opening Ceremony – July 29, 2013  
**Council Member Joe Mitrecic moved to approve; seconded by Council Secretary Knight. The vote was unanimous.**
- B. Cliff Sutherland Update on OC Bikefest scheduled for September 12-15, 2013

**ITEMS REFERRED TO AND PRESENTATIONS FROM THE CITY MANAGER AND STAFF**

Discussion of Maryland Municipal League Double Taxation Workgroup Final Report (see Attachment D)  
**Council Member Joe Mitrecic moved to authorize the City Manager to complete the 2014 MML Legislative Action Request on behalf of the Mayor and City Council supporting the workgroup's recommendation; seconded by Council Secretary Knight. The vote was unanimous.** City Manager David Recor introduced Carol Krimm, Alderman for the City of Frederick, Maryland who champions Maryland Municipal League's effort for legislative action.

**COMMENTS FROM THE PUBLIC**

- John Adkins spoke about allowing Recreational Vehicles to park in the West Ocean City Park & Ride parking lot.
- Rick Lutz asked the Council to look into zoning issues with the On the Bay Seafood Restaurant on 42<sup>nd</sup> Street.
- Al Wendling spoke about nails popping up on the boardwalk.
- Herb Pawlukewicz spoke about the need for property owners to post house numbers, and, adding lot maintenance regulations to all tax bills. Mayor Meehan suggested sharing the regulations with the Homeowner Associations.
- Tony Christ spoke about government spending and inflation.
- Ellie Diegelmann spoke about the inlet parking lot rates and the various special events.
- John Medlin asked the Council to help him resolve a billing issue.

**COMMENTS FROM THE MAYOR & CITY COUNCIL**

- Council Member Joe Mitrecic advised the Mayor and Council that he will be unable to attend the July 8, 2013 Work Session.
- Council Member Dennis Dare advised that he will serve on Atlantic General Hospitals Immedia-Care Advisory Board.
- Council Member Margaret Pillas reminded citizens to report graffiti to the Police Department.
- Council Member Brent Ashley asked the Mayor to send our Congressmen a letter of opposition to a House Resolution that removes the tax exemption from municipal bonds. Mayor Meehan said he will follow up on this matter. Secondly, Council Member Ashley asked City Manager Recor to make sure the weekly reports include the crime reports.
- Council Member Dennis Dare asked the Council to consider issuing a second newsletter to citizens.
- Mayor Meehan encouraged citizens to visit the vibrant shops on 62<sup>nd</sup> Street. Also, he advised that non-resident property owners should contact their local elected officials in support of the Tax Differential effort.

**ADJOURN**

**Council Member Joe Mitrecic moved to adjourn at 7:48; seconded by Council Secretary Knight. The vote was unanimous.**

Approved  
on 7/15/2013  
*[Signature]*

OCEAN CITY, MARYLAND  
RECREATION & PARKS COMMITTEE  
Tuesday, July 9, 2013  
4:00 P.M.  
Northside Park Community Room

**AGENDA**

1. Call to Order and Attendance
2. Approval of Minutes of June 11, 2013
3. Caroline Street Boardwalk Stage Update
4. New Private Special Events
5. Other Business
6. Adjournment

Tourism Commission Meeting  
Agenda  
3 p.m.  
Monday, July 8, 2013  
Room 214 – Convention Center

- 1) Discussion on Boardwalk attire ordinance consideration
- 2) Tourism metrics update
- 3) Summer advertising campaign status
- 4) Updates from organizations



Ocean City, Maryland  
Police Commission

Agenda

Monday, July 8, 2013 – 9:00 AM  
PSB Building, 6501 Coastal Highway

1. Call to Order
2. Approval of the Minutes of June 10, 2013 meeting
3. Old Business
4. New Business
  - a. Report on Crime Statistics
  - b. Report on Pedestrian Safety Statistics and Initiatives
  - c. Report on ECD/Taser Use
  - d. Discussion of Four Wheel Scoot Coupe
5. Other Business
6. Adjourn



# MARYLAND MUNICIPAL LEAGUE DOUBLE TAXATION WORKGROUP FINAL REPORT JUNE 2013

MML 2012-2013 Legislative Committee Chair Bruce Williams empanelled an eight-member workgroup to study property tax double taxation in Maryland and to make potential recommendations regarding desirable means of addressing the issue. Workgroup members included:

James B. Kraft, Councilman, Baltimore City, Chair  
 Martin E. Brubaker, Councilmember, Hagerstown  
 Sanford W. Daily, Manager, Kensington  
 Carol L. Krimm, Alderman, Frederick  
 Denise C. Mitchell, Councilwoman, College Park  
 Laura Mitchell, Councilwoman, Salisbury  
 Robert C. Willey, Mayor, Easton  
 Bruce R. Williams (Serving *Ex Officio*), Mayor, Takoma Park

The workgroup met one time each in February, March and April of 2013.

### Workgroup Recommendation

After reviewing the history of the issue and current law, the workgroup recommended that the League embrace as a League legislative priority legislation that would delete from current law provisions that divide all but Anne Arundel County and Howard County into two groups. One group may provide double taxation relief to municipalities where double taxation is shown to exist and one group must provide double taxation relief where double taxation is shown to exist.

In lieu of these provisions of law, the League would seek to amend a section of law that applies only to Anne Arundel County and Howard County (the latter of which has no municipalities). The section currently provides that these two counties may not impose a property tax on municipal residents for county services that a municipality within these counties provides to its residents. The law would be amended to impose this same standard for all counties in Maryland. The amendments would appear as follows:

#### Explanation

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
 [Brackets] indicate matter deleted from existing law.

ANNOTATED CODE OF MARYLAND  
TAX - PROPERTY ARTICLE  
TITLE 6. TAXABLE PROPERTY; IMPOSITION OF TAX; SETTING TAX RATES  
SUBTITLE 3. SETTING PROPERTY TAX RATES

[§ 6-305.

(a) "Tax setoff" defined. -- In this section, "tax setoff" means:

(1) the difference between the general county property tax rate and the property tax rate that is set for assessments of property in a municipal corporation; or

(2) a payment to a municipal corporation to aid the municipal corporation in funding services or programs that are similar to county services or programs.

(b) Applicability of section. -- This section applies only in:

(1) Allegany County;

(2) Anne Arundel County;

(3) Baltimore County;

(4) Frederick County;

(5) Garrett County;

(6) Harford County;

(7) Howard County;

(8) Montgomery County; and

(9) Prince George's County.

(c) Discussion and adjustment. -- The governing body of the county shall meet and discuss with the governing body of any municipal corporation in the county the county property tax rate to be set for assessments of property in the municipal corporation as provided in this section. After the meeting if it can be demonstrated that a municipal corporation performs services or programs instead of similar county services or programs, the governing body of the county

shall grant a tax setoff to the municipal corporation.

(d) **Setting county rate for municipal corporation.** -- Except as provided in subsection (k) of this section, in determining the county property tax rate to be set for assessments of property in a municipal corporation, the governing body of the county shall consider:

(1) the services and programs that are performed by the municipal corporation instead of similar county services and programs; and

(2) the extent that the similar services and programs are funded by property tax revenues.

(e) **Rate need not be uniform.** -- The county property tax rate for assessments of property located in a municipal corporation is not required to be:

(1) the same as the rate for property located in other municipal corporations in the county; or

(2) the same as the rate set in a prior year.

(f) **Tax setoff request.** --

(1) At least 180 days before the date that the annual county budget is required to be approved, any municipal corporation in the county that desires that a tax setoff be provided shall submit to the county a proposal that states the desired level of property tax setoff for the next fiscal year.

(2) (i) A request submitted under paragraph (1) of this subsection shall be accompanied by:

1. a description of the scope and nature of the services or programs provided by the municipal corporation instead of similar services or programs provided by the county; and

2. financial records and other documentation regarding municipal revenues and expenditures.

(ii) The materials submitted under subparagraph (i) of this paragraph shall provide sufficient detail for an assessment of the similar services or programs.

(3) After receiving a proposal from a municipal corporation requesting a tax setoff under this subsection, the governing body of the county shall promptly

submit to the municipal corporation financial records and other documentation regarding county revenues and expenditures.

**(g) Meetings, officers, information and services. --**

(1) At least 90 days before the date that the annual county budget is required to be approved, the county and any municipal corporation submitting a tax setoff request under subsection (f) of this section shall designate appropriate policy and fiscal officers or representatives to meet and discuss the nature of the tax setoff request, relevant financial information of the county and municipal corporation, and the scope and nature of services provided by both entities.

(2) A meeting held under paragraph (1) of this subsection may be held by the county representatives jointly with representatives from more than one municipal corporation.

(3) (i) The county officers or representatives may request from the municipal corporation officers or representatives additional information that may reasonably be needed to assess the tax setoff.

(ii) The municipal corporation officers or representatives shall provide the additional information expeditiously.

**(h) Statement of intent. --**

(1) At or before the time the proposed county budget is released to the public, the county commissioners, the county executive of a charter county, or the county council of a charter county without a county executive shall submit a statement of intent to each municipal corporation that has requested a tax setoff.

(2) The statement of intent shall contain:

(i) an explanation of the level of the proposed tax setoff;

(ii) a description of the information or process used to determine the level of the proposed tax setoff; and

(iii) an indication that, before the budget is enacted, appropriate officials or representatives of the municipal corporation are entitled to appear before the county governing body to discuss or contest the level of the proposed tax setoff.

(i) Municipal representatives may testify at hearings. -- Representatives of each municipal corporation in the county requesting a tax setoff shall be afforded an

opportunity to testify before the county governing body during normally scheduled hearings on the county's proposed budget.

(j) Agreements regarding tax setoff. -- Notwithstanding the provisions of subsections (d), (f), and (g) of this section:

(1) a county and one or more municipal corporations may enter into an agreement setting different terms or timing for negotiations, calculations, or approval of a tax setoff; and

(2) a county may grant a tax setoff to a municipal corporation that does not make a request in the fashion described in this section.

(k) Frederick County. -- In Frederick County, for the taxable years that begin July 1, 2011, and July 1, 2012, the governing body of Frederick County shall grant a tax setoff to a municipal corporation in an amount that:

(1) is no less than the tax setoff granted to that municipal corporation for the preceding taxable year; and

(2) increases by the same percentage by which the county property tax rate exceeds the constant yield tax rate.]

[§ 6-306. County tax rate in certain other municipal corporations

(a) Tax setoff. -- In this section, "tax setoff" means:

(1) the difference between the general county property tax rate and the property tax rate that is set for assessments of property in a municipal corporation; or

(2) a payment to a municipal corporation to aid the municipal corporation in funding services or programs that are similar to county services or programs.

(b) Applicability of section. -- This section applies to any county not listed in § 6-305 of this subtitle.

(c) Discussion and adjustment. -- The governing body of the county shall meet and discuss with the governing body of any municipal corporation in the county the county property tax rate to be set for assessments of property in the municipal corporation as provided in this section. After the meeting if a municipal corporation performs services or programs instead of similar county services or programs, the governing body of the county may grant a tax setoff to

the municipal corporation.

(d) Setting county rate for municipal corporation. -- In determining the county property tax rate to be set for assessments of property in a municipal corporation, the governing body of the county may consider:

(1) the services and programs that are performed by the municipal corporation instead of similar county services and programs; and

(2) the extent that the similar services and programs are funded by property tax revenues.

(e) Rate need not be uniform. -- The county property tax rate for assessments of property located in a municipal corporation is not required to be:

(1) the same as the rate for property located in other municipal corporations in the county; or

(2) the same as the rate set in a prior year.

(f) Request for property tax setoff. --

(1) At least 180 days before the date that the annual county budget is required to be approved, any municipal corporation in the county that desires that a tax setoff be provided shall submit to the county a proposal that states the desired level of property tax setoff for the next fiscal year.

(2) (i) A request submitted under paragraph (1) of this subsection shall be accompanied by:

1. a description of the scope and nature of the services or programs provided by the municipal corporation instead of similar services or programs provided by the county; and

2. financial records and other documentation regarding municipal revenues and expenditures.

(ii) The materials submitted under subparagraph (i) of this paragraph shall provide sufficient detail for an assessment of the similar services or programs.

(3) After receiving a proposal from a municipal corporation requesting a tax setoff under this subsection, the governing body of the county shall promptly submit to the municipal corporation financial records and other documentation

regarding county revenues and expenditures.

**(g) Officers, information and services. --**

(1) At least 90 days before the date that the annual county budget is required to be approved, the county and any municipal corporation submitting a tax setoff request under subsection (f) of this section shall designate appropriate policy and fiscal officers or representatives to meet and discuss the nature of the tax setoff request, relevant financial information of the county and municipal corporation, and the scope and nature of services provided by both entities.

(2) A meeting held under paragraph (i) of this subsection may be held by the county representatives jointly with representatives from more than one municipal corporation.

(3) (i) The county officers or representatives may request from the municipal corporation officers or representatives additional information that may reasonably be needed to assess the tax setoff.

(ii) The municipal corporation officers or representatives shall provide the additional information expeditiously.

**(h) Statement of intent. --**

(1) At or before the time the proposed county budget is released to the public, the county commissioners, the county executive of a charter county, or the county council of a charter county without a county executive shall submit a statement of intent to each municipal corporation that has requested a tax setoff.

(2) The statement of intent shall contain:

(i) an explanation of the level of the proposed tax setoff;

(ii) a description of the information or process used to determine the level of the proposed tax setoff; and

(iii) an indication that, before the budget is enacted, appropriate officials or representatives of the municipal corporation are entitled to appear before the county governing body to discuss or contest the level of the proposed tax setoff.

(i) Municipal representatives at county proposed budget hearings. --  
Representatives of each municipal corporation in the county requesting a tax setoff shall be afforded an opportunity to testify before the county governing

body during normally scheduled hearings on the county's proposed budget.

(j) Agreements regarding tax setoffs. -- Notwithstanding the provisions of subsections (d), (f), and (g) of this section:

(1) a county and one or more municipal corporations may enter into an agreement setting different terms or timing for negotiations, calculations, or approval of a tax setoff; and

(2) a county may grant a tax setoff to a municipal corporation that does not make a request in the fashion described in this section.]

§6-307.

The governing body of [Anne Arundel County or of Howard County] A COUNTY may not impose a county property tax on property of a [resident] PROPERTY OWNER of a municipal corporation for any service that the municipal corporation provides for the [resident] PROPERTY OWNER.

## **Maryland Property Tax Double Taxation**

Double taxation exists (1) when a county and a municipality within that county provide similar services financed with property tax revenues, and (2) when the county does not provide those services within municipal corporate limits because the city or town already does so. In such cases, municipal property owners pay taxes to both the municipal and county governments for a service (or services) they receive only from the municipality.

### **Property Tax Setoffs**

A *property tax setoff* compensates municipal taxpayers for double taxation by levying a lower county property tax rate -- known as a *property tax differential* -- for municipal property owners or by granting a direct payment -- known as a *property tax rebate* -- to the municipality.

### **Legislative History**

While laws addressing municipal-county double taxation in Maryland have been in place for many years, it was not until 1975 that the General Assembly enacted double taxation legislation that generally had statewide application. After failing to enact similar legislation in 1974, the General Assembly passed a measure in 1975 that permitted, but did not require, counties to offer a tax differential or a tax rebate for cities and towns that provided services in lieu of similar county services. However, through the use of legislative local courtesy, one-third of the counties were exempted from this legislation.

As a result of legislation passed over the next three years (1976-1978), all but one county was brought under the property tax setoff enabling authorization. In 1977, legislation passed affecting only Anne Arundel County and Howard County (the latter of which has no municipalities). In those two counties the law established that the county "may not impose taxes upon residents of any incorporated municipality for services which that municipality provides for its residents." In 1978, the General Assembly also approved a bill requiring the Department of Fiscal Services to prepare an annual report reviewing the progress of counties in establishing tax setoff systems.

Legislation enacted in 1982 required all county governments to meet and confer annually with municipal governments within their jurisdictions to determine whether double taxation existed.

It was not until 1983 that the General Assembly enacted a law requiring a county to provide a property tax setoff for municipal property taxpayers if a municipality provides a service in lieu of a similar county service. The law took a two-pronged

approach, again as a result of local courtesy. For all but seven counties the law stated that, where double taxation was found to exist, a county *may* provide a property tax setoff. For the remaining seven counties (only five of which had municipalities) the law required that a county *shall* provide a property tax setoff where double taxation was determined to exist.

From 1983 to 1998, the law, as it affects all municipal governments, remained unchanged with the exception of legislation passed in 1986 that added an eighth county (Harford) to the *shall* provision. However, the section of law affecting only Anne Arundel County and Howard County was amended in 1985 to provide that these two counties could not impose a property tax within a municipality to pay for services that city or town provides. As originally enacted, this section of law had applied to all county taxes -- not just property taxes.

League sponsored legislation introduced during the 1997 General Assembly session initially would have moved all counties in the State to the *shall* category, would have set up guidelines and deadlines for annual municipal-county property tax setoff discussions, and would have established mediation mechanisms to address instances where a municipal government and a county government could not agree on tax setoff issues. As a result of significant opposition from the Maryland Association of Counties, the bill was completely amended to instead create a task force to study double taxation issues and to make recommendations to encourage cooperation between municipal and county governments with regard to property tax double taxation, other State and local tax and aid distributions, and service efficiency and duplication.

After strong encouragement from General Assembly members of the newly created task force to come to an accommodation on these issues, the Maryland Municipal League and the Maryland Association of Counties agreed to compromise legislation which was introduced and passed during the 1998 session of the Maryland General Assembly (see below).

The General Assembly enacted a bill in 1999 to add Frederick County to the list of counties that must provide a property tax setoff when a municipality in the county provides services in lieu of similar county services. Frederick County became the ninth county included under the *shall* provision of Maryland's double taxation law.

Finally, the General Assembly in 2010 (HB 476) and 2011 (SB 760) enacted legislation that took a novel approach. The bills provided that, for fiscal years 2011 and 2012 only, Frederick County was required to grant to each of its municipalities a property tax setoff at least as large as the setoff granted in the preceding fiscal year and to increase the setoff by the percentage by which the county property tax rate exceeded the constant yield tax rate.

## **1998 Amendments**

The law immediately prior to the passage of MML's priority legislation in 1998 mandated that all Maryland county governing bodies must meet and confer with their municipal governing bodies concerning the issue of double taxation once each year. Eight counties (only six of which had municipalities) were required to provide a property tax setoff if it could be demonstrated that one was warranted. Those counties included Allegany, Anne Arundel, Baltimore, Garrett, Harford, Howard, Montgomery and Prince George's. The law stated that the remaining 15 counties *may* provide, but were not required to provide, a property tax setoff if it could be demonstrated that one was warranted. Nine of these 15 counties gave some level of double taxation relief in 1997, while six did not. The six counties that granted no double taxation relief as of 1997 were Dorchester, Garrett, Somerset, Talbot, Wicomico and Worcester.

With the exception of the requirement that a county governing body meet on an annual basis with municipal governing bodies within the county, these requirements remain unchanged. While the law as amended in 1998 retained the requirement that county and municipal governing bodies meet to discuss the county property tax rate within municipalities, the requirement that this be done annually was deleted.

Instead the law now sets out procedures by which a municipality may request and negotiate double taxation relief from the county and be guaranteed at least a minimum level of response from the county. The bill however leaves latitude for a municipality and a county to establish different terms for negotiations, calculations, and property tax offset approval where both parties agree to alternative approaches. The law also provides the county with the discretion to grant a tax setoff to a city or town that fails to make a request as prescribed in the 1998 amendments.

Under the bills passed in 1998 (Senate Bill 113 and House Bill 216), a municipality that wishes to receive a property tax setoff may submit a proposal stating the desired level of tax offset for the coming year at least 180 days before the required approval date of the annual county budget. The proposal must include a description of the scope and nature of the services or programs that the municipality provides in lieu of similar county services. It must also include financial records on municipal revenues and expenditures. Both submittals must be sufficiently detailed to permit an assessment of the similar services or programs.

Upon receipt of the municipal proposal and accompanying documentation, the county must promptly submit to the municipality financial records and other documents that detail county revenues and expenditures.

At least 90 days before the required annual county budget approval date, both the municipality and the county must designate individuals to meet and discuss issues relating to double taxation. This may be done jointly with other municipalities. The

county may also request additional information that is reasonably needed to assess the need for double taxation relief; representatives of the municipal government must in turn provide the requested information in an expeditious manner.

Before or concurrent with the release of the county budget to the public, the county must submit a statement of intent to each incorporated city and town that has requested a property tax setoff. The county statement must include (1) an explanation of the level of the proposed setoff; (2) a description of the information or process used to determine the level of the proposed setoff; and (3) notification that, before the county budget is passed, municipal government representatives may appear before the county governing board to discuss or contest the level of the proposed property tax setoff.

Finally, the law guarantees that representatives of any municipality requesting a tax setoff will be afforded the opportunity to testify before the county governing board during normally scheduled budget hearings of the county.

### **Recent Legislative Requests**

The MML Legislative Committee considered this same request from the Town of Ridgely in 1999 but chose not to recommend the issue for inclusion in the League's legislative program. The Town of Ocean City proposed this same issue in August of 2003; however the Committee elected not to consider the issue because of the lateness of its submission. In 2004 and 2005, the Town of Ocean City submitted the same issue for consideration and the Legislative Committee again declined to recommend the issue to the membership. In 2005 and 2006, the City of Takoma Park submitted a request to enact legislation to provide an appeals process for a municipality in instances where a municipality disputes a determination by a county that double taxation does not exist or where a municipality disputes the level of double taxation setoff that a county offers to provide. The Committee declined to recommend the issue as a League priority. In 2009, Ocean City again recommended this issue as a League priority; the Legislative Committee again declined to recommend the issue to the membership as a priority. A similar legislative request was received and rejected in 2011

In 2008, the MML Legislative Committee Subcommittee on Revenues and the City of Salisbury proposed a legislative request to require counties to provide a property tax setoff where a municipality has demonstrated that double property taxation exists. Other issues they suggested be addressed included: (1) requiring that county officials meet and confer on double taxation issues by January 30 of each year; (2) extending double taxation deliberations to services paid for with other-than-property-tax revenues to ensure that counties may not inaccurately allocate property tax expenditures to non-duplicative services and (3) providing for an appeals process if a county denies that double taxation exists or fails to adequately offset double taxation that both parties agree exists. In 2012 the Committee considered a broader legislative request that in part

sought legislation to provide more equitable property tax set-offs for municipalities; the Committee however declined to recommend the issue as a League priority.

In 2012, the Legislative Committee Chair named a workgroup to examine double taxation and present findings and recommendations to the Committee and MML membership. The workgroup met three times in early 2013 and recommended that the League seek legislation to affect all municipalities in the same fashion as current law addresses double taxation in Anne Arundel County. The proposal would amend current law to say that no county may impose a property tax on municipal property owners to pay for services that a municipality provides. A one-hour session has been set aside on Sunday afternoon at the MML convention to present the workgroup's report to the membership of the League.

### **Change in County Double Taxation Set-offs Value Year to Year**

<u>Fiscal Year</u>	<u>Dollar Value (in millions)</u>	<u>Percentage Change</u>
2012	102.5	-5.4
2011	108.3	7.8
2010	100.5	6.2
2009	94.6	17.0
2008	80.9	20.9
2007	67.0	12.6
2006	59.5	14.5
2005	52.0	12.5
2004	44.9	4.3
2003	43.1	5.7
2002	40.7	4.7
2001	38.9	4.3
2000	37.3	0.5
1999	37.1	1.0
1998	36.2	2.0
1997	35.5	22.8
1996	28.9	-26.8
1995	39.5	-0.5
1994	39.7	10.3
1993	36.0	-5.0
1992	37.9	26.8
1991	29.9	12.4

**Maryland Municipal  
Double Taxation  
Shall vs. May Counties**

**Shall Counties**

Allegany  
Anne Arundel  
Baltimore  
Frederick  
Garrett  
Harford  
Howard  
Montgomery  
Prince George's

**May Counties**

Calvert  
Caroline  
Carroll  
Cecil  
Charles  
Dorchester  
Kent  
Queen Anne's  
St. Mary's  
Somerset  
Talbot  
Washington  
Wicomico  
Worcester