

E50C
Department of Assessments and Taxation

Operating Budget Data

(\$ in Thousands)

	FY 05 <u>Actual</u>	FY 06 <u>Working</u>	FY 07 <u>Allowance</u>	FY 06-07 <u>Change</u>	% Change <u>Prior Year</u>
General Fund	\$89,167	\$90,007	\$110,966	\$20,959	23.3%
Special Fund	<u>3,623</u>	<u>3,945</u>	<u>4,214</u>	<u>269</u>	<u>6.8%</u>
Total Funds	\$92,790	\$93,952	\$115,180	\$21,227	22.6%

- The allowance provides a \$2.1 million fiscal 2006 deficiency for the Homeowners' Property Tax Credit Program, the Renters' Tax Credit Program, and the Enterprise Zone Tax Credit Program.
- The fiscal 2007 allowance increases 22.6% over the fiscal 2006 working appropriation largely driven by a \$17.9 million increase in the three tax credit programs. Of this increase, \$12.6 million is contingent upon enactment of legislation that expands the Homeowners' Property Tax Credit Program.

Personnel Data

	FY 05 <u>Actual</u>	FY 06 <u>Working</u>	FY 07 <u>Allowance</u>	FY 06-07 <u>Change</u>
Regular Positions	687.50	677.50	677.50	0.00
Contractual FTEs	<u>0.10</u>	<u>0.50</u>	<u>0.10</u>	<u>-0.40</u>
Total Personnel	687.60	678.00	677.60	-0.40

Vacancy Data: Regular Positions

Turnover, Excluding New Positions	27.30	4.03%
Positions Vacant as of 12/31/05	38.50	5.68%

- Regular positions remain unchanged from the prior year. There is only a small decrease in contractual full-time equivalents.
- There are 38.5 vacancies, representing a vacancy rate of 5.68%.

Note: Numbers may not sum to total due to rounding.

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Analysis in Brief

Major Trends

Assessments Are Accurate: In all three measures of accuracy, the State Department of Assessments and Taxation is performing well.

Charter Unit Updates Its Performance Measurement: To better reflect its workload, the unit has altered one of its key objectives.

Decline in Minority Procurement Goal Attainment: The department's performance in meeting Minority Business Enterprise goals fell in fiscal 2005.

Issues

Expansion of the Homeowners' Property Tax Credit Program: There are several legislative proposals to alter the program to reflect changes to home values and homeowner incomes. **The department should brief the budget committees on how the recent and proposed changes would impact the program; including the number of new eligible homeowners, increases in the average credit and total future costs of the program.**

Increase in the Enterprise Zone Tax Credit Program: In fiscal 2007, the department expects a significant increase in the use of this program. **The department should discuss what factors contributed to a 75% increase in property tax credits under the Enterprise Zone Program in fiscal 2007.**

Recommended Actions

	<u>Funds</u>
1. Increase turnover expectancy to better reflect historic trends in actual vacancies.	\$ 336,825
Total Reductions	\$ 336,825

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Department of Assessments and Taxation

Operating Budget Analysis

Program Description

The State Department of Assessments and Taxation (SDAT) supervises the assessment of all property in the State. The department performs assessments on one-third of all real property and all personal property in the State every year and certifies to the local taxing authorities the assessment of every piece of property. The department also administers three tax credit programs: the Homeowners' Tax Credit Program, the Renters' Tax Credit Program, and the Urban Enterprise Zone Tax Credit Program. The homeowners' and renters' programs provide property tax relief to all eligible homeowners and renters. The enterprise zone program reimburses local governments for property tax credits given to businesses, which are located in, or expand into, enterprise zones. The department collects public service franchise taxes and assesses all public utility companies in the State. It also serves as the filing place for businesses operating in the State. The department registers companies, corporations, and partnerships in Maryland and generates certificates and certified documents. The various forms that businesses must file with the department are available to the public for inspection.

The goals of the department are to:

- provide a consistently accurate property valuation system;
- run efficient and effective programs for property tax relief and business services; and
- operate convenient and professional facilities.

Performance Analysis: Managing for Results

Assessments Are Accurate

Property assessments are a sensitive and sometimes volatile issue for property owners. SDAT strives to provide accurate and fair assessments. SDAT measures appraisal accuracy as the degree to which properties are appraised at market value, as defined by professional standards published by the International Association of Assessing Officers (IAAO). There are three measures as detailed below.

The *assessment-to-sales ratio* (ASR) is a ratio of the assessed value to the sales price of the property. The closer the ratio is to 100%, the closer the assessment is to the sales price. A ratio over 100% indicates the assessment was too high, and a ratio under 100% indicates the assessment was too low. The IAAO range for acceptable performance for ASR is 90 to 110%. The *coefficient of dispersion* (COD) measures how close individual ASRs are to the median ASR for an area. A large COD indicates a wide range of assessment values in a particular area. The lower the COD, the more closely the ASRs are to the median ASR value; a COD under 15 is considered reasonable. The third

measure is the *price related differential* (PRD). The PRD measures bias in the ASR. A bias is when the assessments for the assessed properties are higher or lower than they should be, based on the ASR. The ideal PRD is 1, indicating perfectly unbiased assessments. A PRD in excess of 1 indicates underestimated appraisals for high dollar properties, and a PRD less than 1 indicates underestimated appraisals for low dollar properties. **Exhibit 1** presents the details for SDAT’s accuracy measures.

Exhibit 1
Accuracy Measures
State Department of Assessments and Taxation
Fiscal 2003 – 2007

<u>Measure</u>	<u>Goal</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Actual</u> <u>2005</u>	<u>Est.</u> <u>2006</u>	<u>Est.</u> <u>2007</u>	<u>Ann. Chg.</u> <u>03-05</u>
Assessment-to-sales ratio	90%-110%	90%	87%	90%	90%	90%	0.00%
Coefficient of dispersion	Less than 15.00	10.80	11.25	10.00	10.00	10.00	-3.77%
Price-related differential	.98-1.03	1.02	1.01	1.01	1.01	1.01	-0.49%

Source: State Department of Assessments and Taxation

As Exhibit 1 shows, SDAT’s assessors have been accurate and are expected to maintain this level of performance in fiscal 2006 and 2007.

Charter Unit Updates Its Performance Measurement

In a prior Department of Legislative Service (DLS) analysis of the department’s budget, DLS noted that the Charter Unit was having difficulties in meeting its goal of providing regular service document return within seven days. This was due to the fact that a certain number of document requests are more complex and, therefore, more difficult to process. DLS recommended that the department consider revising its performance measure to reflect this reality.

Beginning with the fiscal 2007 budget, the department will now seek to provide regular service document return within 30 days. The department is including more types of documents under this measure, including types that require additional days to process. Therefore, the adjusted goal and measurement are appropriate. **Exhibit 2** displays the department’s performance under this new measurement.

Exhibit 2
Charter Unit Performance
State Department of Assessments and Taxation
Fiscal 2004 – 2007

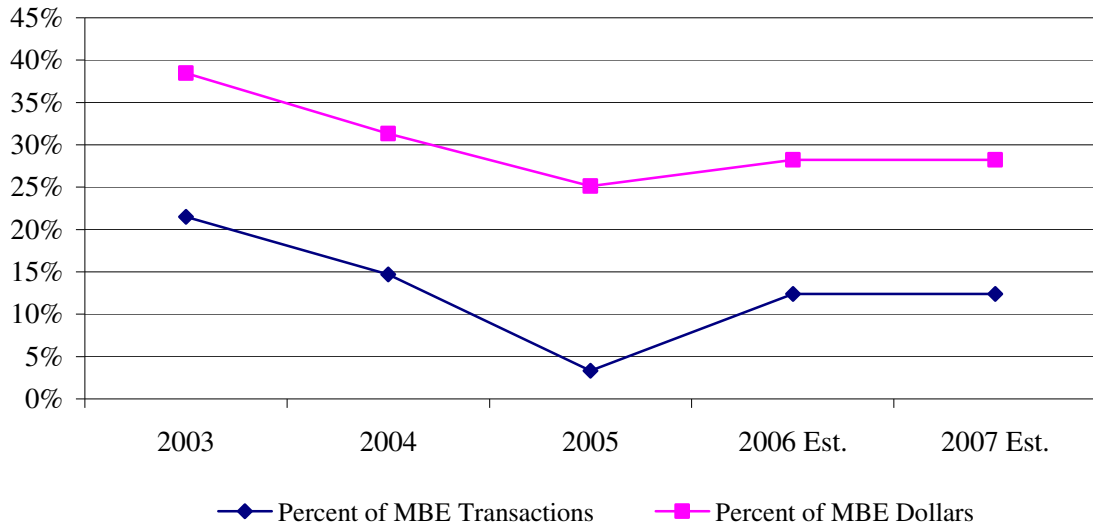
<u>Measure</u>	<u>Actual</u> <u>2004</u>	<u>Actual</u> <u>2005</u>	<u>Est.</u> <u>2006</u>	<u>Est.</u> <u>2007</u>
% of documents processed in 30 days	84.8%	85.6%	85.9%	86.0%
Avg. # of days to process a document	23.4	27.2	27.0	26.9

Source: State Department of Assessments and Taxation

Decline in Minority Procurement Goal Attainment

The department strives to incorporate inclusive procurement practices. Its goal is to maintain or exceed a goal of 25% of procurement dollars for Minority Business Enterprises (MBEs). The department has performed well in the past. For example, in fiscal 2003, the department spent 38.45% of its procurement dollars with MBE firms. Additionally, 21.49% of its transactions were with MBE firms. Although the department reached its goal in fiscal 2005, the results were far less encouraging. Approximately 25.12% of procurement dollars were spent with MBE firms. Only 3.33% of the department's transactions were with MBE firms. **Exhibit 3** shows a graphical depiction of this decline.

Exhibit 3
Procurement – Minority Participation Goals
Fiscal 2003 – 2007



Source: State Department of Assessments and Taxation

The department should discuss the issues that contributed to the decline in the fiscal 2005 performance and steps it will take to ensure that this decline is temporary.

Fiscal 2006 Actions

Proposed Deficiency

The fiscal 2007 allowance includes a \$2.1 million general fund deficiency for the Homeowners' Tax Credit Program, the Renters' Tax Credit Program, and the Enterprise Zone Tax Credit Program. The deficiency and the changes in the tax credit programs are discussed in further detail in the Governor's proposed budget and the Issues sections of this analysis.

Governor's Proposed Budget

As shown in **Exhibit 4**, the fiscal 2007 budget allowance is \$115.2 million, an increase of \$21.2 million, or 22.6% over the 2006 working appropriation. The majority of this increase (\$12.6 million) is contingent upon the enactment of legislation to raise the maximum assessment and change the income exemption for the Homeowners' Property Tax Credit Program. Additionally, there is a \$4.4 million increase for the Enterprise Zone Tax Credit Program. Adjusting for the department's tax credit programs, the fiscal 2007 allowance increases 3.6% over the fiscal 2006 working appropriation.

Exhibit 4
Governor's Proposed Budget
Department of Assessments and Taxation
(\$ in Thousands)

How Much It Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Total</u>
2006 Working Appropriation	\$90,007	\$3,945	\$93,952
2007 Governor's Allowance	<u>110,966</u>	<u>4,214</u>	<u>115,180</u>
Amount Change	\$20,959	\$269	\$21,227
Percent Change	23.3%	6.8%	22.6%

Where It Goes:

Personnel Expenses

Increments and other compensation	\$294
Employee and retiree health insurance	983
Underfunded 2006 health insurance	835
Employee retirement.....	373
Workers' compensation premium assessment	-37
Turnover adjustments	479
Other fringe benefit adjustments	143

Other Changes

Real Property Valuation

Purchase of mobile devices for assessors	200
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Tax Credit Payments

Increase in Homeowners' tax credit.....	600
Increase in Homeowners' tax credit contingent upon 2006 legislation	12,600
Increase in Renters' tax credit program	250
Increase in Enterprise Zone tax credits.....	4,400

Charter Unit

Increase in fees for credit card transactions.....	116
UCC Internet filing project.....	100

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Other Changes

Increases in telecommunications and postage	79
Reduction in miscellaneous contractual services.....	-126
Increase in rate for mileage.....	61
Reduction in equipment purchases	-62
Other miscellaneous changes.....	-61
Total	\$21,227

UCC = Uniform Commercial Code

Note: Numbers may not sum to total due to rounding.

Other significant changes include a \$3.1 million increase in personnel expenses, largely driven by employee and retiree health insurance.

Homeowners' Tax Credit Program

The Homeowners' Property Tax Credit Program (Circuit Breaker) is a State-funded program (i.e., the State reimburses local governments) providing credits against State and local real property taxation for homeowners who qualify based on a sliding scale of property tax liability and income. As has been noted in previous analyses, usage of the tax credit program has declined for several years because the income brackets and maximum assessment level used to calculate the tax liability have not been adjusted for inflation.

In fiscal 2002, SDAT awarded approximately \$44 million in credits, this was less than in previous years, and the trend has continued. In fiscal 2006, SDAT estimates awarding \$39.7 million. Other than a small bump in fiscal 2001 (primarily due to a legislative adjustment to eligibility in fiscal 1999 and an aggressive marketing campaign in 2001), the long-term trend has been steadily downward.

Chapter 588, Acts of 2005 changed the calculation of total real property tax for the Homeowners' Property Tax Credit so that the homestead tax credit amount is subtracted from the total assessment thereby increasing the credits to be issued. As such, the 2007 allowance includes an additional \$600,000 and a fiscal 2006 deficiency of \$900,000 for the program.

The fiscal 2007 allowance also includes an increase of \$12.6 million in this program in anticipation of additional legislative changes to this program. The funds are contingent upon enactment of legislation to raise the maximum assessment and change the income exemption for the program.

Enterprise Zone Tax Credit Program

The fiscal 2007 allowance increases \$4.4 million over the fiscal 2006 working appropriation. Additionally, there is a fiscal 2006 deficiency associated with this program of approximately \$949,000. The increases are driven by rising assessments as discussed under the Issues section of this analysis.

Issues

1. Expansion of the Homeowners' Property Tax Credit Program

The Homeowners' (Circuit Breaker) Tax Credit Program provides credits against State and local real property taxes for homeowners who qualify based on a sliding scale of property tax liability and income. The Homeowners' Tax Credit is a State-funded program, with the State reimbursing local governments for the cost of the credit against local property taxes. This program, initiated in 1975, was originally limited to homeowners age 60 and older and homeowners with disabilities, but was expanded to homeowners of all ages in 1978. Counties and municipalities are also authorized to enact local supplements to the Homeowners' Tax Credit, with those jurisdictions bearing the cost of the supplemental credits.

During the 2004 interim, DLS conducted an extensive review of property taxation in Maryland. The report, in part, investigated the declining utilization of the Homeowners' Tax Credit Program. The report showed that the number of credits issued in fiscal 2004 was approximately half of what was issued in fiscal 1984, while the average credit has almost doubled in value. Several factors have contributed to this trend, including increased income of homeowners and an increase in home values. While the program has been amended, the income brackets have not changed since fiscal 1980, and the maximum assessment level used to calculate tax liability has not changed since fiscal 1989. **Exhibit 5** shows a partial history of the program (and the Renters' Tax Credit Program).

Exhibit 5
Trends in the Homeowners' and Renters' Tax Credit Program
Fiscal Years
(\$ in Thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Working</u> <u>2006</u>	<u>Allowance*</u> <u>2007</u>
Homeowners' Budgeted Amount	\$44,057	\$39,874	\$39,401	\$39,533	\$39,400	\$40,000
Homeowners' Deficiency					\$900	
Homeowners' Total	\$44,057	\$39,874	\$39,401	\$39,533	\$40,300	\$40,000
Renters' Budgeted Amount	\$3,071	\$2,820	\$2,763	\$3,267	\$2,750	\$3,000
Renters' Deficiency					\$250	
Grand Total	\$47,128	\$42,694	\$42,164	\$42,800	\$43,300	\$43,000

* Does not include \$12.6 million that is contingent upon legislation.

Number of Homeowners' Credits Issued	59,013	52,629	50,524	48,200	47,206	45,790
Avg. \$ Amount of a Homeowners' Credit	\$747	\$758	\$780	\$820	\$854	\$874
Number of Renters' Credits Issued	11,995	11,470	11,373	11,111	10,900	10,900
Avg. \$ Amount of a Renter's Credit	\$256	\$246	\$243	\$294	\$275	\$275

Source: Governor's Budget Books

Chapter 588, Acts of 2005 altered the calculation for the total real property tax which is the basis for the credit. The changes increased the amount of the credit for some homeowners. The fiscal note anticipated an increase of about \$1.5 million per year.

Several bills have been introduced in the 2006 session of the General Assembly, including an Administration bill. The bills amend various sections of the statute, but in general most alter the tax credit's income limitations, assessed valuation limitations, and net worth limitations in efforts to reflect new realities in home values and owner incomes.

For example, House Bill 5 and its companion Senate Bill 234 proposes the following changes to the program:

- the first \$10,000 of income would be exempt instead of \$4,000 as under current law;
- the assessed valuation limitation would be increased from \$150,000 to \$250,000; and
- the net worth limitation would be increased from \$200,000 to \$300,000.

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The Administration's bill, Senate Bill 215/House Bill 313, proposes the following changes:

- the definition of assets exempts certain retirement accounts;
- the assessed valuation limitation would be increased from \$150,000 to \$300,000; and
- the first \$8,000 of income would be exempt instead of \$4,000 as under current law but caps the income limitation at \$55,000.

The department should brief the budget committees on how the recent and proposed changes would impact the program – including the number of new eligible homeowners, increases in the average credit, and total future costs of the program.

2. Increase in the Enterprise Zone Tax Credit Program

The Enterprise Zone Tax Credit Program provides property and income tax credits for businesses that locate or expand within designated areas. SDAT reimburses local governments for 50% of the property tax credit. The credit is based on the increased assessment from a base year either from rising assessments or from increases in value from renovations or capital improvements. Driven by rapidly increasing assessments and a robust economy that encourages capital investments from businesses, the tax credits associated with this program have increased dramatically. **Exhibit 6** details the increased capital investment in each county. The enterprise zones in Montgomery County and Cecil County have experienced the greatest surge in capital investment, which is reflected in rising tax credits.

The fiscal 2007 allowance increases \$4.4 million over the fiscal 2006 working appropriation. **Exhibit 7** shows the changes in the tax credits from fiscal 2006 to 2007 by enterprise zone. **Exhibit 8** shows graphically the dramatic increase in fiscal 2007 compared to recent years. Additionally, there is a fiscal 2006 deficiency associated with this program of approximately \$949,000.

Exhibit 6
Change in Capital Investment
(\$ in Thousands)

	<u>Fiscal 2006</u>	<u>Fiscal 2007</u>	<u>Increase</u>	<u>Percent Increase</u>
Allegany	\$37,682	\$40,595	\$2,913	7.7%
Baltimore City	175,127	302,759	127,632	72.9%
Baltimore County	100,172	127,917	27,745	27.7%
Calvert	10,998	12,568	1,570	14.3%
Cecil	46,233	145,093	98,860	213.8%
Dorchester	117,219	119,251	2,032	1.7%
Garrett	6,263	6,550	287	4.6%
Harford	305,365	334,215	28,850	9.4%
Montgomery	110,838	379,327	268,489	242.2%
Prince George's	57,701	73,499	15,798	27.4%
St Mary's	6,081	6,224	143	2.4%
Somerset	576	494	-82	-14.2%
Washington	164,597	169,038	4,441	2.7%
Wicomico	9,452	9,989	537	5.7%
Worcester	8,355	9,801	1,446	17.3%
Total	\$1,156,659	\$1,737,320	\$580,661	50.2%

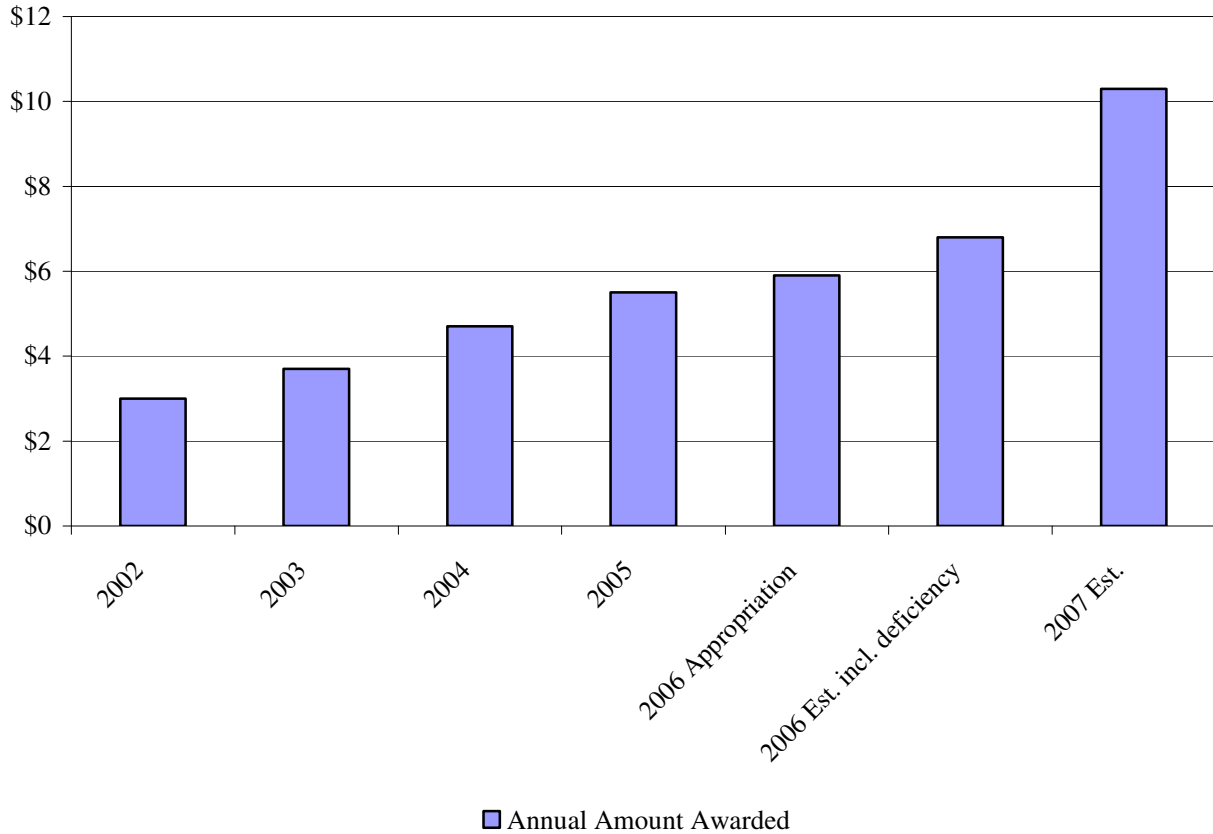
Source: Department of Business and Economic Development; State Department of Assessments and Taxations

**Exhibit 7
Enterprise Zone Property Tax
Fiscal 2006 – 2007**

<u>Enterprise Zones</u>	Fiscal 2006		Fiscal 2007	
	<u>Number of Businesses</u>	<u>State's Share of Credit</u>	<u>Number of Businesses</u>	<u>State's Share of Credit</u>
Allegany	33	\$170,172	30	\$313,684
Baltimore City	134	2,464,466	184	2,795,071
Baltimore	31	397,029	36	478,523
Calvert	14	36,418	15	39,522
Cecil	4	255,317	11	1,130,239
Dorchester	18	723,923	19	812,770
Garrett	20	26,869	20	43,433
Harford	135	1,526,752	156	1,980,520
Montgomery	68	303,190	92	1,546,138
Prince George's	11	310,350	15	490,270
St. Mary's	16	21,503	15	21,712
Somerset	7	2,973	6	2,655
Washington	47	508,571	45	560,195
Wicomico	32	68,222	37	70,143
Worcester	12	33,505	12	33,481
Total	582	\$6,849,260	693	\$10,318,356

Source: State Department of Assessments and Taxation

Exhibit 8
Enterprise Zone Property Tax Credit – Annual Amount Awarded
(\$ in Millions)



Source: State Department of Assessments and Taxation

The department should discuss what factors contributed to a \$4.4 million increase (a 75% increase) in property tax credits under the Enterprise Zone Program in fiscal 2007 despite historical average annual increases of approximately \$700,000.

Recommended Actions

	<u>Amount Reduction</u>	
1. Increase turnover expectancy to better reflect historic trends in actual vacancies. The general fund reduction may be allocated amongst divisions. The effect on the turnover rate is to increase it from 4.03 to 5.0%.	\$ 336,825	GF
Total General Fund Reductions	\$ 336,825	

Current and Prior Year Budgets

Current and Prior Year Budgets Department of Assessments and Taxation (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2005					
Legislative Appropriation	\$87,393	\$3,276	\$0	\$0	\$90,669
Deficiency Appropriation	1,050	0	0	0	1,050
Budget Amendments	1,463	541	0	0	2,004
Reversions and Cancellations	-739	-193	0	0	-932
Actual Expenditures	\$89,167	\$3,623	\$0	\$0	\$92,790
Fiscal 2006					
Legislative Appropriation	\$89,569	\$3,629	\$0	\$0	\$93,198
Budget Amendments	438	316	0	0	754
Working Appropriation	\$90,007	\$3,945	\$0	\$0	\$93,952

Note: Numbers may not sum to total due to rounding.

Fiscal 2005

A deficiency appropriation approved in the 2005 legislative session provided \$1,050,000 in general funds for the reimbursement of Homeowners' Tax Credits to local governments. Additionally, the general fund appropriation was increased through budget amendments by approximately \$1.5 million for annual salary reviews and for an employee cost-of-living adjustment.

There was also an amendment to appropriate \$541,000 in special funds from excess revenues from the Charter Unit to pay salaries and wages. The program was underfunded, in part, because the local jurisdictions did not meet their contribution goal.

Approximately \$739,000 was reverted to the general fund due to less than projected costs for communications, health insurance, and the Annapolis Data Center. There was also a special fund cancellation of \$193,000 due to higher than expected personnel turnover.

Fiscal 2006

A fiscal 2006 budget amendment added \$438,000 in general funds for the 1.5% employee cost-of-living adjustment that was budgeted in the Department of Budget and Management's budget and distributed to each agency. An additional amendment added \$316,000 in special funds from excess revenues to replace equipment in the Charter Unit.

Audit Findings

Audit Period for Last Audit:	November 13, 2000 – October 15, 2003
Issue Date:	August 2004
Number of Findings:	7
Number of Repeat Findings:	2
% of Repeat Findings:	29%
Rating: (if applicable)	n/a

- Finding 1:*** SDAT did not use certain automated matching procedures to help detect non-Maryland corporations that failed to file required annual reports and personal property tax returns and remit the related fees.
- Finding 2:*** SDAT made an overpayment of approximately \$57,000 to an employee upon retirement.
- Finding 3:*** **Cash receipts were not adequately controlled for recordation and subsequent deposit.**
- Finding 4:*** SDAT’s computer network monitoring was not adequate and the internal network was not properly isolated.
- Finding 5:*** Controls over SDAT’s database administration functions were not adequate.
- Finding 6:*** Certain corporate purchasing card transactions made by one SDAT employee were inappropriately processed.
- Finding 7:*** **Proper internal controls were not established over the processing of certain disbursement transactions.**

*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report
Department of Assessments and Taxation**

<u>Object/Fund</u>	<u>FY05 Actual</u>	<u>FY06 Working Appropriation</u>	<u>FY07 Allowance</u>	<u>FY06 - FY07 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	687.50	677.50	677.50	0	0%
02 Contractual	0.10	0.50	0.10	-0.40	-80.0%
Total Positions	687.60	678.00	677.60	-0.40	-0.1%
Objects					
01 Salaries and Wages	\$36,974,238	\$38,734,382	\$41,804,579	\$3,070,197	7.9%
02 Technical & Spec Fees	7,858	20,500	7,926	-12,574	-61.3%
03 Communication	1,308,989	1,366,028	1,445,424	79,396	5.8%
04 Travel	327,786	332,638	393,922	61,284	18.4%
06 Fuel & Utilities	17,598	20,005	19,710	-295	-1.5%
07 Motor Vehicles	158,198	130,798	104,852	-25,946	-19.8%
08 Contractual Services	2,746,542	2,928,187	3,017,888	89,701	3.1%
09 Supplies & Materials	350,951	290,255	285,995	-4,260	-1.5%
10 Equip - Replacement	849,765	209,350	347,280	137,930	65.9%
12 Grants, Subsidies, and Contributions	48,293,852	48,050,000	65,918,356	17,868,356	37.2%
13 Fixed Charges	1,754,323	1,870,340	1,834,011	-36,329	-1.9%
Total Objects	\$92,790,100	\$93,952,483	\$115,179,943	\$21,227,460	22.6%
Funds					
01 General Fund	\$89,167,066	\$90,007,471	\$110,966,068	\$20,958,597	23.3%
03 Special Fund	3,623,034	3,945,012	4,213,875	268,863	6.8%
Total Funds	\$92,790,100	\$ 93,952,483	\$115,179,943	21,227,460	22.6%

Note: The fiscal 2006 appropriation does not include deficiencies, and the fiscal 2007 allowance does not reflect contingent reductions.

**Fiscal Summary
Department of Assessments and Taxation**

<u>Program/Unit</u>	<u>FY05 Actual</u>	<u>FY06 Wrk Approp</u>	<u>FY07 Allowance</u>	<u>Change</u>	<u>FY06 - FY07 % Change</u>
01 Office of the Director	\$2,072,979	\$2,241,951	\$2,384,429	\$142,478	6.4%
02 Real Property Valuation	30,514,960	31,166,020	33,570,602	2,404,582	7.7%
04 Office of Information Technology	3,458,370	3,564,894	3,748,661	183,767	5.2%
05 Office of Business Property Valuation	3,063,523	3,112,739	3,329,346	216,607	7.0%
06 State Reimbursement of Property Tax Credits for Ur	48,293,852	48,050,000	65,918,356	17,868,356	37.2%
08 Property Tax Credit Programs	1,779,882	1,897,367	2,036,174	138,807	7.3%
10 Charter Unit	3,606,534	3,919,512	4,192,375	272,863	7.0%
Total Expenditures	\$92,790,100	\$93,952,483	\$115,179,943	\$21,227,460	22.6%
General Fund	\$89,167,066	\$90,007,471	\$110,966,068	\$20,958,597	23.3%
Special Fund	3,623,034	3,945,012	4,213,875	268,863	6.8%
Total Appropriations	\$92,790,100	\$93,952,483	\$115,179,943	\$21,227,460	22.6%

Note: The fiscal 2006 appropriation does not include deficiencies, and the fiscal 2007 allowance does not reflect contingent reductions.