

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 465

(Senator Peters, *et al.*)

Budget and Taxation

Ways and Means

Property Tax Assessment Appeals

This bill decreases the time period within which the Maryland Tax Court must hear and determine a residential property assessment appeal from a property tax assessment appeals board, from within 120 days to within 90 days, unless the court grants an extension at the request of a party.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: The change would not directly affect governmental finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Maryland Tax Court is required to hear and determine all property tax appeals on or before 120 days from the date the appeal is entered.

Background: To account for the following issues, Chapter 39 of 2005 increased the time period within which the Maryland Tax Court must hear and determine an appeal from a property tax assessment appeals board, from within 60 days to within 120 days, unless the court grants an extension at the request of a party.

In some instances, property tax appeals may be resolved within 60 days, however, not without, in some cases, substantial difficulty to both taxpayers and the State Department of Assessments and Taxation. Tax Court appeals are “*de novo*.” The satisfaction of this “burden of proof” involves preparation and thus time.

Notwithstanding the exchange of initial pleadings, motions, pretrial conferences, discovery, and necessary postponements, large commercial property tax appeals require real property appraisers who in turn require months to prepare their respective appraisal reports. Pretrial and post-trial briefs are not always necessary but their exchange can add substantially to time requirements depending on the complexity of the case. The Tax Court has indicated previously that in many cases the prompt resolution of a case is a case that can be completed within eight months.

With regard to appeals regarding all taxes except the property tax, the Tax General Article states that the Tax Court is required to hear and determine appeals promptly. Chapter 39 conformed the requirement for property tax appeals to other types of tax appeals.

Additional Information

Prior Introductions: None.

Cross File: HB 896 (Delegate Ross, *et al.*) – Ways and Means.

Information Source(s): Property Tax Assessment Appeals Board, Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2008
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