

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE

House Bill 141 (Delegate Szeliga)  
Ways and Means

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Property Tax - Assessment Appeal Hearings - Right to Record

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This bill authorizes a homeowner to record a property assessment appeal hearing at the property owner's expense.

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Fiscal Summary

**State Effect:** Any additional expenditures at the State Department of Assessments and Taxation (SDAT) associated with reprinting brochures are assumed to be minimal and absorbable within existing resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:** The *Property Owner's Bill of Rights* provides Maryland taxpayers with specified rights and privileges with regards to the assessment and taxation of property in the State. This includes the right to fair and equal property assessment by SDAT, the right to information from the department, and the right to appeal property assessments.

**Background:** The following is a discussion on the property tax assessment process and the assessment appeals process in Maryland.

### *Triennial Assessment Process in Maryland*

Under current law, real property is valued and assessed once every three years. This approach, the triennial assessment process, was part of major property tax reform established in 1979. Under this process, assessors from SDAT physically inspect each property every three years. No adjustments are made in the interim, except in the case of (1) a zoning change; (2) a substantial change in property use; (3) extensive improvements to the property; or (4) a prior erroneous assessment. The assessor determines the current “full market value” of the property and any increase in value is phased in over a three-year period. Any decrease, however, is recognized immediately for assessment purposes.

### *Assessment Appeals Process*

There are three levels in the appeals process that property owners may pursue when appealing a property tax assessment. The first appeal of an assessment goes to SDAT, which determines the original assessment. To the extent a property owner receives an unsatisfactory ruling he or she may appeal to Property Tax Assessment Appeals Boards, which hear appeals in matters relating to the assessment of property throughout the State. There is one board located in each county and Baltimore City. Each board has four members (three members and one alternate) who are appointed by the Governor for five-year terms. Further appeals may be made to the Maryland Tax Court.

**State Fiscal Effect:** SDAT may incur a minimal one-time expenditure increase associated with reprinting two brochures – *Property Owner’s Bill of Rights* and the *Homeowner’s Guide to Property Taxes and Assessments* – that are maintained by the department. As a point of reference, the bill of rights brochure was last published in 2007 at a cost of \$936, while the guide to property taxes and assessments brochure was last published in 2009 at a cost of \$3,474.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 69 (Senator Glassman) - Budget and Taxation.

**Information Source(s):** State Department of Assessments and Taxation, Property Tax Assessment Appeals Board, Department of Legislative Services

**Fiscal Note History:** First Reader - January 31, 2011  
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