

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 69

(Senator Glassman)

Budget and Taxation

Ways and Means

Property Tax - Assessment Appeal Hearings - Right to Record

This bill authorizes a homeowner to record a property assessment appeal hearing at the property owner's expense, by adding this right to the *Property Owner's Bill of Rights*. The State Department of Assessments and Taxation (SDAT) may not be required to provide recording equipment. The bill requires SDAT to update its website to show the right to record an appeal hearing but permits SDAT to delay changing the printed brochure of the *Property Owner's Bill of Rights* until the next scheduled printing.

Fiscal Summary

State Effect: None. The bill does not significantly affect State operations or finances.

Local Effect: None.

Small Business Effect: None.

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.

Additional Information

Prior Introductions: None.

Cross File: HB 141 (Delegate Szeliga) - Ways and Means.

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

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