

May 18, 2011

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 330 – *Frederick County – Nonprofit School Lease – Property Tax Credit*.

Senate Bill 330 requires Frederick County or a municipality in the county to grant a property tax credit for property leased to a nonprofit school and used exclusively for primary or secondary educational purposes. Furthermore, the bill requires the lessor of real property eligible for the property tax credit to reduce the amount of taxes for which a nonprofit school is contractually liable under the lease agreement by the amount of the property tax credit.

According to the sponsors, the bill was intended to exempt public charter schools in Frederick County from having to pay property taxes on property leased by a school from a private owner. Presently, the Monocacy Valley Montessori Public Charter School which is located in the City of Frederick would be eligible for the proposed property tax credit. As amended, however, the bill grants a property tax exemption to all private schools that lease property in Frederick County, not just charter schools.

The sponsors of Senate Bill 330 and the entire Frederick County Delegation have requested that I veto the legislation because the property tax exemption in the bill was not intended to cover all private schools. The Frederick County Board of Commissioners is also seeking a veto of the bill. The sponsors correctly point out that Senate Bill 609, which I will sign into law on May 19, 2011, exempts any portion of a building or property occupied and used by a public charter school from property taxes. According to the Attorney General's Office, this exemption would apply to the Monocacy Valley Montessori School and any new charter schools in Frederick County, so the exemption required under Senate Bill 330 is unnecessary.

The Honorable Thomas V. Mike Miller, Jr.

May 18, 2011

Page 2

Therefore, because the statewide property tax exemption contained in Senate Bill 609 meets the intended policy objectives of Senate Bill 330, I am hereby vetoing this legislation.

Sincerely,

Governor