

who thought about these subjects advocated its passage.

The advocacy took several grounds — one was that from the purely agricultural point of view, it was necessary to save the farmer, the small farmer, the marginal farmer from the impact of heavy taxes where his property might be situated or happen to be situated in a fast-growing area where values were skyrocketing.

It takes no stretch of imagination to realize that land located in areas such as Montgomery County or in the southern regions of Baltimore County or in the great share of Prince George's County which are actively farmed, nevertheless have tremendous value over and above that for farming, namely the value for subdivisions.

The second argument stated in effect that it was not a question so much of helping a farmer or farmers but it was the choice of values. That is to say, it was important to the people of Maryland to preserve open space, to preserve areas where you did not have overnight slums constructed by developers, that these were things that were important to the health, welfare, and safety of the people and as a result of this, the amendments should pass even in spite of the fact some people might get an advantage from this.

Some time later in 1963 or 1964, a case developed from Montgomery County involving these two amendments. By this time the state tax commission, now the department of assessments and taxation, had devised a system of rules which tax people call regulations, which sought to define farms in terms of whether or not they were actually farmed, whether or not there were livestock and many other criteria, and the purpose of these regulations was to prevent a speculator or investor from buying up property and perhaps putting a few goats or a few sheep, we heard about sheep in this Convention before, confine it to that, a few sheep out on this property and claiming it was a farm, get the benefits of the preferential assessment, then at a later time sell the property at a high price and cash in on large capital gains.

In the case that came up in Montgomery County there were actually Black Angus cattle which the man who was an acknowledged investor bought, put out on the property, and just let them go wild.

The Court of Appeals held that the regulations promulgated by the state tax commission were of no value because it said

in effect that there was an objective test that had to be applied, namely, was it or not land devoted to farm or agricultural use. If it was so devoted to farm or agricultural use, then the test did not make any difference, it was the use to which the land was put and nothing more which controlled; that was and is the posture of the matter today.

And the recommendation which the Committee makes seeks to attack it in this way. First, it mandates that there shall be a separate assessment of land for agricultural use. This is done by the use of the word "shall" in the clause to which I directed your attention.

Second, however, it provides that the General Assembly may by law define what is or what is not a farm or what is or what is not agricultural use, thereby permitting the General Assembly through its legislative agency, the State Department of Assessments and Taxation, to define farm, farm use, and agricultural use.

There is another possibility of course. There are several other possibilities. We could do nothing about this subject, in which event the law would stay essentially as it is today, assuming that the words of Article 43 were incorporated. Or you could provide that the farm assessment would be permissive only by striking the word "shall" and substituting in lieu thereof "may". This would add little to what the words actually connote and would really make them meaningless.

I think perhaps there will be more to be said about that at a later time tonight. So much then for section 8.02.

Section 8.02-1 deals with the question of equalization. Here again, you have the end result of a fight which has been going on in the State for a long time.

Once again, the Commissions to which I referred earlier directed their attention to the attempt to make assessments in this state equal throughout the state.

Unfortunately, although much has been done in this area, much more needs to be done. The Committee's Recommendation will, we believe, be the best guarantee that the end result which has been desired for so long by so many people will come to pass.

It states that the State shall prescribe and administer uniform rules and methods for determining property tax assessments. I call your attention to the word "administer", because today the assessment