

WHEREAS, A negotiation implies cooperation between the 2 local governments, to address the problem of double taxation of municipal taxpayers, either through a property tax differential to the taxpayer or a tax rebate to the municipal corporation, whichever method best addresses the situation; and

WHEREAS, The General Assembly hereby resolves that counties should eliminate the double taxation of municipal residents in certain counties by creating a negotiation process to establish a tax equalization system based upon the value of certain governmental services provided by the municipalities, and is therefore enacting the following; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland read(s) as follows:

Article 81 - Revenue and Taxes

32A.

(a) The board of county commissioners or the county council SHALL MEET ANNUALLY AND DISCUSS WITH MUNICIPAL OFFICIALS, AND after THIS consultation with municipal officials, {may} ~~SHALL-ANNUALLY~~ levy a tax on the assessable property located within one or more of the municipal corporations of the county, which is less than the general county property tax rate, {if} ~~AS--IF-HAS-BEEN ANNUALLY QUANTIFIED THROUGH THE CONSULTATION PROCESS THAT VALUES--THE PERFORMANCE--BY~~ the municipal corporation {performs} ~~OF~~ governmental services or programs in lieu of similar county governmental services or programs. In establishing the property tax rate on the assessable property within one or more of the municipal corporations, the county {may} ~~SHALL~~ take into account the governmental services and programs which the municipal corporations perform in lieu of similar county governmental services and programs and the extent that the similar services and programs are funded through property tax revenues. The county property tax rate set for one municipal corporation does not have to be uniform among all municipal corporations within the county, and the rate set for one tax year need not be the same in any succeeding year.

(b) In lieu of a lesser rate of county property tax as provided in subsection (a) of this section, the county may make a payment to the municipal corporations to assist the municipal corporations in funding governmental services or programs which the municipal corporations perform in lieu of similar county services or programs.