

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 183

(Prince George's County Delegation)

Ways and Means

Budget and Taxation

Prince George's County - Property Tax Credit for Security Camera Systems
PG 413-19

This bill authorizes Prince George's County to grant, by law, a property tax credit for residential or commercial property equipped with an exterior security camera system for the purpose of crime prevention or reduction. **The bill takes effect June 1, 2019, and applies to taxable years beginning after June 30, 2019.**

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County property tax revenues may decrease by a potentially significant amount beginning in FY 2020 depending on the number of security camera systems that are installed at residential and commercial properties in the county. County expenditures are not affected.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: Prince George's County is authorized to grant a property tax credit for residential or commercial property equipped with an exterior security camera system. The property tax credit only applies to the purchase price of the security camera system and may not exceed the lesser of \$200 per security camera or \$500 for a residential property or \$750 for a commercial property. Prince George's County may establish, by law, (1) additional eligibility criteria, including security camera specifications; (2) the duration of the tax credit; (3) regulations and procedures for the application and uniform processing

of requests for the tax credit; and (4) any other provision necessary to carry out the tax credit.

Background: Among the State's 24 subdivisions, Prince George's County had the eighth highest crime rate in 2016 as shown in **Exhibit 1**. Crime rate statistics are from the *Uniform Crime Report* for 2016 and include both violent crimes and property crimes. Violent crimes, which include murder, forcible rape, robbery, and aggravated assault, involve the element of personal confrontation between the perpetrator and the victim and therefore are considered more serious than property crimes.

Compared to most other jurisdictions in Maryland, Prince George's County continues to be plagued with a high murder rate, with the county experiencing the second highest number of homicides in Maryland. In 2016, 88 homicides were reported in Prince George's County compared to 15 in Montgomery County. Along with Baltimore City, Prince George's County remains troubled by a high volume of robbery offenses and motor vehicle thefts. In 2016, 1,534 robberies were reported in Prince George's County, compared to 698 in Montgomery County; and 3,371 vehicles were reported stolen in Prince George's County compared to 872 in Montgomery County.

Local Fiscal Effect: Prince George's County property tax revenues decrease beginning in fiscal 2020 to the extent the property tax credit is authorized. The amount of the revenue decrease depends on the number of residential and commercial properties that have exterior security camera systems and the amount of the property tax credit granted to each property, neither of which can be reliably estimated.

As a point of reference, there are approximately 252,948 improved real property accounts and 30,898 vacant real property accounts in Prince George's County. If 10% of improved real property accounts are equipped with one security camera and receive a \$200 property tax credit, county property tax revenues would decrease by approximately \$5.1 million.

Small Business Effect: Small businesses in Prince George's County may be eligible for up to a \$750 property tax credit if they have or install an exterior security camera system on the premises. Small businesses that sell exterior security systems may realize an increase in sales.

Additional Information

Prior Introductions: HB 231 of 2018 received a favorable report from the House Ways and Means Committee and passed the House. The bill received a hearing in the Senate Budget and Taxation Committee, but no further action was taken.

Cross File: None.

Information Source(s): Prince George's County; State Department of Assessments and Taxation; Department of Legislative Services

Fiscal Note History: First Reader - February 1, 2019
sb/hlb Third Reader - March 8, 2019

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Exhibit 1
Crime Rates or Counts for Maryland Counties

County	Crime Rates			Crime Rates			Murder Count		Robbery Count		Vehicle Theft Count	
	Per 100,000 Residents			Percent of State Average			CY 2015	CY 2016	CY 2015	CY 2016	CY 2015	CY 2016
	CY 2015	CY 2016	% Change	CY 2015	CY 2016	Rank						
Allegany	3,447.3	3,237.8	-6.1%	120.3%	115.6%	6	3	5	58	65	49	44
Anne Arundel	2,680.0	2,639.2	-1.5%	93.5%	94.2%	9	17	25	613	558	629	622
Baltimore City	6,619.5	6,650.9	0.5%	230.9%	237.4%	1	344	318	4,378	5,288	5,541	5,336
Baltimore	3,242.7	3,361.2	3.7%	113.1%	120.0%	5	32	35	1,525	1,498	1,770	2,070
Calvert	1,641.7	1,464.6	-10.8%	57.3%	52.3%	23	2	1	31	15	37	41
Caroline	2,250.2	2,257.4	0.3%	78.5%	80.6%	12	0	0	15	5	18	27
Carroll	1,358.5	1,353.6	-0.4%	47.4%	48.3%	24	0	2	48	55	52	65
Cecil	2,956.7	2,919.6	-1.3%	103.1%	104.2%	7	9	3	77	70	123	153
Charles	2,257.5	2,002.4	-11.3%	78.8%	71.5%	15	3	6	120	139	207	167
Dorchester	4,209.2	3,434.7	-18.4%	146.8%	122.6%	3	1	4	39	30	51	41
Frederick	1,669.8	1,531.0	-8.3%	58.3%	54.7%	19	7	2	107	104	110	118
Garrett	1,766.9	1,491.5	-15.6%	61.6%	53.2%	21	0	0	4	2	9	14
Harford	1,495.4	1,610.5	7.7%	52.2%	57.5%	18	7	9	165	121	108	90
Howard	1,925.0	1,975.5	2.6%	67.2%	70.5%	16	2	6	226	202	208	306
Kent	1,942.6	1,500.6	-22.8%	67.8%	53.6%	20	0	0	22	14	3	6
Montgomery	1,782.9	1,665.5	-6.6%	62.2%	59.5%	17	29	15	641	698	768	872
Prince George's	2,894.7	2,653.3	-8.3%	101.0%	94.7%	8	78	88	1,704	1,534	3,431	3,371
Queen Anne's	1,624.1	1,474.2	-9.2%	56.7%	52.6%	22	0	0	17	14	21	17
St. Mary's	2,323.0	2,056.6	-11.5%	81.0%	73.4%	14	2	2	51	31	69	71
Somerset	1,748.2	2,382.2	36.3%	61.0%	85.0%	11	0	2	10	16	11	15
Talbot	2,062.8	2,125.1	3.0%	72.0%	75.9%	13	0	0	25	16	14	14
Washington	2,280.5	2,436.1	6.8%	79.6%	87.0%	10	9	3	121	147	175	227
Wicomico	3,724.3	3,420.3	-8.2%	129.9%	122.1%	4	7	5	126	148	96	96
Worcester	3,894.0	3,876.7	-0.4%	135.8%	138.4%	2	1	3	27	39	28	32
Maryland	2,866.6	2,801.3	-2.3%	100.0%	100.0%		553	534	10,150	10,814	13,564	13,847

CY: calendar year

Source: *Uniform Crime Report*, Maryland State Police