

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 386 (Delegate Malone)
Ways and Means

Property Tax Credit - Disabled or Fallen Law Enforcement Officers and Rescue
Workers - Federal Criminal Investigator

This bill expands eligibility for a local property tax credit for a dwelling owned by a disabled law enforcement officer or rescue worker to include a job series 1811 criminal investigator for a federal government agency. **The bill takes effect June 1, 2021, and applies to taxable years beginning after June 30, 2021.**

Fiscal Summary

State Effect: None.

Local Effect: Local property tax revenues may decrease beginning in FY 2022 to the extent the property tax credit is authorized and additional taxpayers become eligible for the property tax credit. The amount of the decrease depends on the number of eligible taxpayers and the assessed value of each residential property that is eligible for the property tax credit. Local expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: Local governments are authorized to grant a property tax credit for a dwelling owned by (1) a disabled law enforcement officer or rescue worker; (2) a surviving spouse of a fallen law enforcement officer or rescue worker; or (3) a cohabitant, provided specified conditions are met. To be eligible for the property tax credit, the dwelling must have been acquired by the disabled law enforcement officer or rescue worker within 10 years of the date the disabled law enforcement officer or rescue worker was adjudged

to be permanently and totally disabled or by the surviving spouse or cohabitant within 10 years of the fallen law enforcement officer's or rescue worker's death.

Local Fiscal Effect: Local property tax revenues may decrease to the extent the property tax credit is authorized and additional taxpayers become eligible for the property tax credit. The amount of the decrease depends on the number of eligible taxpayers and the assessed value of each residential property that is eligible for the property tax credit, neither of which can be reliably estimated at this time. Information on the type of positions classified as a federal criminal investigator is provided below. As a point of reference, **Exhibit 1** shows the effect of one additional taxpayer claiming the property tax credit in each county, based on current assessment information and property tax rates.

Exhibit 1
Effect of One Property Tax Credit on County Revenues
Fiscal 2022

<u>County</u>	<u>Property Tax Rate</u>	<u>Average Taxable Assessment</u>	<u>Revenue Decrease</u>
Allegany	\$0.975	\$71,725	(\$699)
Anne Arundel	0.934	304,482	(2,844)
Baltimore City	2.248	111,862	(2,515)
Baltimore	1.100	220,923	(2,430)
Calvert	0.932	270,774	(2,524)
Caroline	0.980	143,385	(1,405)
Carroll	1.018	278,784	(2,838)
Cecil	1.041	181,261	(1,888)
Charles	1.205	243,907	(2,939)
Dorchester	1.000	109,437	(1,094)
Frederick	1.060	269,822	(2,860)
Garrett	1.056	145,253	(1,534)
Harford	1.042	244,151	(2,544)
Howard	1.250	406,279	(5,078)
Kent	1.022	205,484	(2,100)
Montgomery	0.991	464,270	(4,602)
Prince George's	1.374	221,794	(3,047)
Queen Anne's	0.847	310,811	(2,633)
St. Mary's	0.848	235,042	(1,993)
Somerset	1.000	70,652	(707)
Talbot	0.637	327,634	(2,088)
Washington	0.948	164,255	(1,557)
Wicomico	0.929	110,862	(1,029)
Worcester	0.845	213,636	(1,805)

Source: State Department of Assessments and Taxation; Department of Legislative Services

Federal Criminal Investigator

According to the Federal Office of Personnel Management job classification handbook, the 1811 series covers positions that supervise, lead, or perform work involving planning, conducting, or managing investigations related to alleged or suspected criminal violations of Federal laws, which includes:

- recognizing, developing, and presenting evidence to reconstruct events, sequences, time elements, relationships, responsibilities, legal liabilities, and conflicts of interest;
- conducting investigations in a manner meeting legal and procedural requirements; and
- providing advice and assistance both in and out of court to the U.S. Attorney's Office during investigations and prosecutions.

Work in this series primarily requires knowledge of criminal investigative techniques, rules of criminal procedures, laws, and precedent court decisions concerning the admissibility of evidence, constitutional rights, search and seizure, and related issues in the conduct of investigations.

Many federal agencies, including, the Department of Justice, the Department of Homeland Security, the Department of the Interior, the Department of Veterans Affairs, and the Library of Congress, have job series 1811 criminal investigators.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Federal Office of Personnel Management, Maryland Association of Counties; Maryland Municipal League; State Department of Assessments and Taxation; Department of Legislative Services

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rh/hlb

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