

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 415 (Carroll County Senators)
Budget and Taxation

**Carroll County - Office of Permits and Inspections - Denial of Commercial
Permit or License for Unpaid Personal Property Taxes**

This bill authorizes the Carroll County Office of Permits and Inspections to deny the issuance or renewal of a commercial license or permit if the applicant has unpaid personal property taxes, as specified.

Fiscal Summary

State Effect: None.

Local Effect: The bill does not materially affect Carroll County operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: The Carroll County Office of Permits and Inspections may not deny the issuance or renewal of a commercial license or permit for unpaid personal property taxes if the applicant submits evidence that the applicant has disputed the amount of unpaid taxes. The office may issue or renew a commercial license or permit, previously denied, if the applicant proves to the satisfaction of the office, that they have paid any previously unpaid personal property taxes.

Current Law: Local governments (counties, municipalities, and special taxing districts) are authorized to tax personal property and to establish local tax rates. Prior to July 1, 2013, State law required the county personal property tax rate to be set at 2.5 times the county real property tax rate. Beginning July 1, 2013, the county personal property tax rate was

decoupled from the county real property tax rate by authorizing county governments to set a personal property tax rate at up to 2.5 times the county real property tax rate. Municipalities are not subject to this limitation.

Under Section 14-804 of the Tax-Property Article, all unpaid tax on personal property is a lien on the personal property and on the real property of the owner of the personal property in the same manner in which taxes on real property are now liens on the real property with respect to which they are imposed in all subdivisions of the State. Any lien attaches to the real property only after the notice has been recorded and indexed among the judgment records in the office of the clerk of the circuit court in the county where the land lies or is recorded and indexed on the tax rolls of the subdivision. As a result, a county or municipality can collect unpaid personal property taxes by bringing real property of the taxpayer to tax sale or by suing the taxpayer.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 963 of 2024.

Designated Cross File: HB 851 (Carroll County Delegation) - Environment and Transportation and Ways and Means.

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

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