

Transfer Tax Could Be Added To The Commissioners' 2014 Legislative Package

Tuesday, October 15, 2013

A new item could be added to the Frederick County Commissioners' 2014 Legislative Package. Board President Blaine Young floated the idea of adding a bill to give the county authority to impose a transfer tax. "It captures all these dwelling units that had been built that paid nothing, and doesn't put it all on the back of new development," he said.

If the county receives the authority from the General Assembly to establish the tax, it would be levied on all property transfers, with the revenue generated being used for new schools and libraries. Young said it would also abolish the impact fees, which are imposed on new development, with the money going to new schools and libraries. He said he "despises" impact fees.

The county first received authority from the Maryland Legislature in the 1990's to impose impact fees. They were set up locally so that funds could be generated from residential growth to pay for additional school capacity.

Commissioner David Gray is opposed to the abolition of impact fees. "I think every new house builds capacity to supply students to schools. So I think the impact fee is totally appropriate for the new house," he said.

The Commissioners told their staff to research the effects of the abolition of impact fees and replacing them with a transfer tax.

The proposal came up Tuesday evening, as the Board assembled to take testimony on its 2014 Legislative Package. Only one person spoke. George Rudy of Frederick urged the Commissioners to support a federal oversight on bio-tech labs.

There are 11 requests on the list, but Commissioner Young said he wants to concentrate on those which "have a prayer." They are the removal of the Stormwater Management fee; elimination of the maximum value of gaming permits for raffles; amendments to the Annotated Code of Maryland pertaining to Frederick County's transition to Charter Government in December, 2014; property tax exemptions for parcels held by the Land Trust; and the authority to allow payment of wages with a debit card.

The Commissioners are expected to decide on Thursday which requests will be forwarded to the local Legislative Delegation.

The package will be formally presented to legislators on Thursday, November 21st, and the Delegation will hold its hearing on the package on Saturday, December 14th.

The 2014 General Assembly convenes on Wednesday, January 8th, 2014 in Annapolis.