



**DEPARTMENT OF
ASSESSMENTS AND TAXATION**

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Michael L. Higgs, Jr., Director

MEMORANDUM

Date: February 14, 2020
To: Municipal Corporation Taxing Authorities
From: Michael Higgs, Director
Re: 2020/21 Constant Yield Tax Rate – Exemption

Section 6-308 of the Tax-Property Article, Annotated Code of Maryland, requires the Department of Assessments and Taxation to certify to all taxing authorities a Constant Yield Tax Rate that will produce the same revenue in the coming taxable year that was produced in the prior taxable year. This does not prevent the reduction of the tax rate.

Section 2-205(d) states that:

"The Director shall exempt a municipal corporation from the constant yield tax rate provisions of § 6-308 of this article if a difference of less than \$25,000 exists between:

- (1) The property tax revenue that is provided by applying the municipal corporation real property tax rate for the preceding taxable year to the estimated assessment of all real property in the municipal corporation; and
- (2) The property tax revenue that is provided by applying the constant yield tax rate for the next taxable year to the estimated assessment of all real property in the municipal corporation."

This is to certify that your jurisdiction has been exempted from the provisions of § 6-308 of the Tax-Property Article.

Attached is Form CYTR#1 which shows your Constant Yield Tax Rate exemption and also includes an estimate of the assessable real property base for the 2020/21 taxable year.

If you have any questions, please contact Zachary Grisard at our Headquarters Office in Baltimore at (410) 767-6259.

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