CB53-2026 Fiscal Analysis
Introduced: September 8, 2026
Fiscal Manager: Owen Kahn

Legislative Intent: This legislation expands the eligibility of the Public Safety Officer Property Tax Credit to include retired officers.

ANALYSIS

Fiscal Impact:

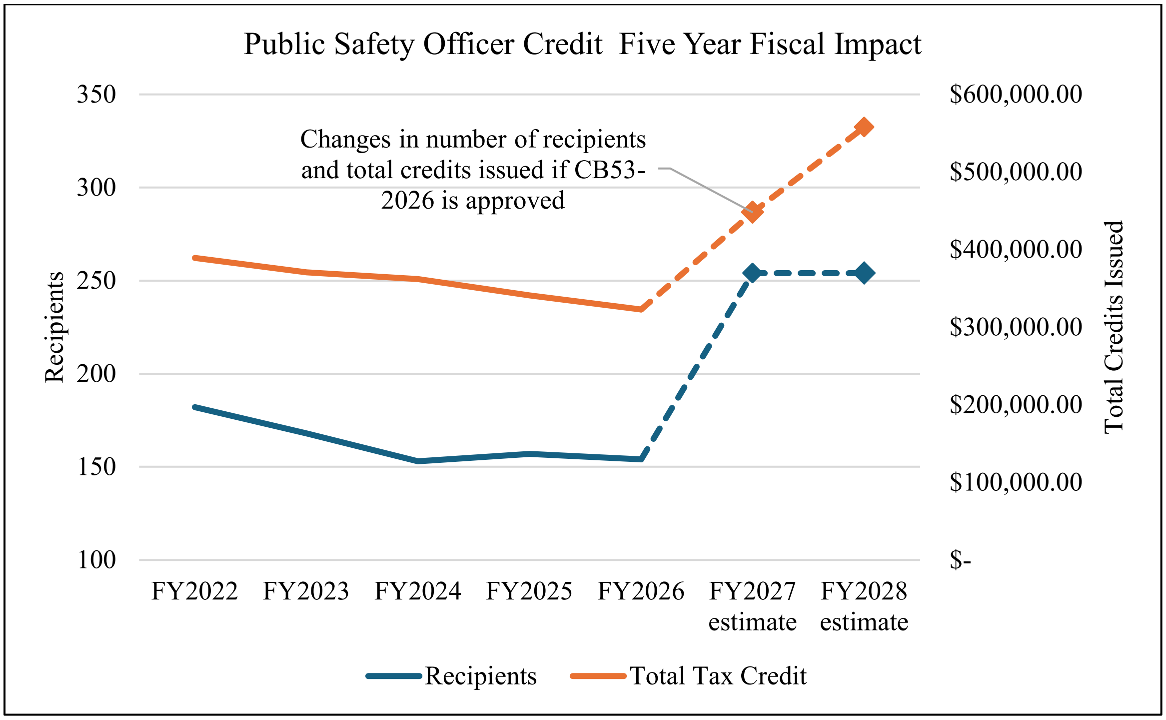
This legislation will increase the County's forgone revenue from the Public Safety Officer Credit by between approximately $125,135 in FY2027 and $234,923 in each fiscal year after because of the expansion of eligibility to 128 new recipients.

Fiscal Year	Recipients	Total Tax Credit	Average Tax Credit
FY2022	182	$389,316.00	$2,139.10
FY2023	168	$370,514.00	$2,205.44
FY2024	153	$362,158.00	$2,367.05
FY2025	157	$340,861.00	$2,171.09
FY2026	154	$322,798.00	$2,096.09
FY2027 estimate	*254*	*$447,933.62*	*$2,195.75*
FY2028 estimate	*254*	*$557,721.27*	*$2,195.75*

The Public Safety Officer Property Tax Credit is a State authorized tax credit against the real property tax up to $2,500. The credit is available for full time officers in various public safety departments, including firefighters, emergency medical technicians, police officers, correctional officers, deputy Sheriffs, and volunteer fire fighters. **This tax credit does not expire, and forgone revenue will continue in future fiscal years.**

In the last five fiscal years, the Public Safety Officer Credit has steadily declined in the number of recipients and the total number of tax credits issued. Between FY2022 and FY2026, the number of recipients decreased by 28. According to the DoF, the decrease in the number of recipients is largely due to separation, retirement, or recipients no longer owning the home. The average amount of credit received by each recipient has remained between $2,000 and the maximum of $2,500. For FY2026, the total forgone revenue for the County was $322,798 for 154 recipients.

This legislation would expand eligibility to include officers who have retired from service in eligible positions. According to the DoF, there are 128 retired officers who would become eligible for the tax credit. If all 128 officers received the maximum $2,500 tax credit, the increase in forgone revenue for the County would be $160,000 in FY2027 and $320,000 in each fiscal year after. As noted above, the five year average tax credit for recipients has been $2,195.75 and it is unlikely that all 128 retired officers will be eligible or apply. The tax credit is designed to phase in for new recipients. In FY2027, new recipients receive 50% of the credit they are eligible for. Each year after, they will receive 100% of the credit. **If 100 retired officers received an average tax credit of $2,195.75, the increase in forgone revenue for the County would be $125,135 in FY2027 and $234,923 in each fiscal year after.**



FY2027 estimate assumes 100 retired officers receive a $2,195.75 tax credit.

<u>Budget Implications:</u>

- Adoption of this legislation will affect the projected revenue for the adopted FY2027 operating budget, likely forgoing approximately $125,135 in property tax revenue.
- Approval of this legislation will likely increase the forgone revenue by up to $320,000.

<u>Other Notes:</u>

- The Public Safety Officer credit was most recently amended in CB33-2025 to expand the availability of the credit to Auxiliary Officers within the Department of Police. The Auditor's fiscal impact estimated adoption of that legislation would result in an estimated 8 new recipients could increase the forgone revenue by $20,000 per year. In FY2025, there were 4 new recipients, while the total number of credits declined by $21,297.