

**Board of Education of Howard County  
Testimony Submitted to the Howard County Council  
May 18, 2020**

**Board of Education  
of Howard County**

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**Council Resolution 84 - 2020: A Resolution Increasing the Transfer Tax**

The Board of Education of Howard County (the Board) supports **CR84-2020** as an increase in the County's transfer tax rate, of which 25% of any increase would be distributed to Howard County Public School System (HCPSS) capital projects. The HCPSS Capital Budget, used to both expand capacity to meet growth needs and address aging infrastructure at existing schools, would undoubtedly benefit from this increase.

HCPSS is the fastest growing school system in Maryland in terms of enrollment growth. Yet investment in capital infrastructure has not kept pace with the County's projected enrollment growth. Within two years, the projected enrollment of students will begin to exceed the number of seats available countywide – specifically the 2019 HCPSS Feasibility study indicated the capacity utilization of all high schools combined will begin to exceed 110% beyond 2022, elementary schools by 2028, and middle schools follow suit beyond 2030. Post-redistricting results indicate that in school year 2020-2021, fifteen schools will remain above 110% capacity utilization.

These capacity needs are on top of long-awaited priorities such as the Talbott Springs Elementary School replacement, a renovation and addition at Hammond High School, and expansive systemic modernizations. The school system's Long-Range Master Plan, looking at 10 year capital funding needs, is nearly \$800 million in future costs. Each year we fall short in funding, renovation and new construction costs increase, while enrollment grows and deferred maintenance costs compound.

As we weather the far-reaching fiscal impacts of the COVID19 emergency, Howard County undoubtedly faces many uncertainties including future available funding. Despite the unknown, our schools must remain a safe harbor for students when life returns to normal.

We look forward to working together with the Council and County Executive to continue efforts to find revenues to sustain and improve the infrastructure our students, staff, and community members rely on daily. The Board also thanks the members of the Howard County Delegation who introduced and supported HB1454 during the 2020 session of the Maryland General Assembly to authorize this increase in transfer tax revenues.



*ACS supports Howard County nonprofits in the achievement of their missions  
because strong nonprofits improve the quality of life for all.*

## **County Resolution 84-20 – Howard County – Increase Transfer Tax**

**Position: Support**

**May 11, 2020**

As Executive Director of the Association of Community Services (ACS), it is my privilege to offer testimony on behalf of our over 170 nonprofit member organizations and community advocates who work diligently on behalf of vulnerable populations in our community. I am offering this letter in support of CR 84-2020, which allows the County to increase the transfer tax rate to 1.5% and exempts moderate income housing units from being subject to the transfer tax as authorized by the Maryland General Assembly's House Bill (HB) 1454.

Funding generated from the increase in this tax will be allocated to critical needs in the County – capital projects for the Howard County Public School System and the Department of Recreation and Parks, housing programs for individuals and families with low incomes and people experiencing homelessness, and for the various needs of our fire department. Given that housing is of particular interest to many ACS members due to the clients we serve, we are particularly in support of expanding our revenue opportunities that will help us achieve our shared goals with the County of ending homelessness and supporting fellow residents with low incomes.

Howard County is one of the wealthiest counties in Maryland and the significant disparities between income and costs of living that made it challenging to live in Howard County long before the COVID-19 pandemic. Prior to the pandemic, we had a shortage of over 5,000 units; this need will certainly increase. Financial support for the work of the Department of Housing and Community Development (DHCD) is imperative in meeting this critical need for stable housing for the many people who have and will soon have low and moderate incomes.

We appreciate your consideration of our request that you give a favorable vote CR 84-2020.

Respectfully Submitted,

*Joan Driessen*  
Joan Driessen  
Executive Director



6240 Old Dobbin Lane ■ Suite 110 ■ Columbia, MD 21045

May 13, 2020

Ms. Deb Jung  
Chairperson, Howard County Council  
3430 Courthouse Square  
Ellicott City, MD 21043

**RE: Council Resolutions 84-2020 / 85-2020**

Dear Councilmember Jung,

In the days ahead, you and your Council colleagues will consider passage of Council Resolution 84-2020 and Council Resolution 85-2020. If passed, Council Resolution 85-2020 would increase the county recordation tax from the current rate of \$2.50 / \$500 of consideration or debt to \$11 / \$500 on consideration or debt over \$1M. As an organization dedicated to community and economic development, the Chamber is concerned about the proposed legislation and what it would do to the Howard County business environment. As noticed in the attached document, the passage of this resolution in its current form would establish Howard County by far with the highest recordation tax in Maryland. A review of 2019 commercial transactions show that nearly all of Howard County commercial transactions total well over a \$1M. As such, businesses would face an increase of approximately 400%. This would have significant impact as it may depress land values and impact additional transactions.

Also being considered is Council Resolution 84-2020 which would raise the transfer tax as well. While the impact to business would be minimal, the impact to potential homebuyers could be significant particularly those that may be first time home purchasers.

The Chamber understands that the county budget is under considerable pressure when one compares the growth rate of the tax digest versus that of expenditures. The recent impact of Covid19 does not help matters. However, we cannot afford to tax our way to financial sustainability. Equally as important is the perception of Howard County as not being business friendly due to unpredictability and soaring county fees and assessments. We have seen numerous bills introduced over the past two years that if passed would have impacted the cost of doing business in the county. Passage or not, the mere threat in some instances is enough to hinder future business location and expansion efforts.

Council Resolutions 84-2020 / 85-2020

May 13, 2020

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As we strive to recover from the devastating economic impact of the coronavirus, it is important that we support private industry and those looking to reestablish financial footing. Moreover, it is important that we do not hinder other efforts to support housing affordability. For the reasons mentioned above, we request that you do revisit the timing of CR84-2020. We request that you do not pass CR85-2020.

Respectfully,



Leonardo McClarty, CCE  
President/CEO, Howard County Chamber

Enclosure – Commercial Recordation Impact

CC: Howard County Council  
Howard County Executive Calvin Ball  
Howard County Chamber Board of Directors  
Howard County Chamber Legislative Affairs Committee

**Howard County Recordation Tax Comparison**

Sale Price	Current Recordation Tax	Proposed Recordation Tax	Percent Change	Proposed as Factor of Existing
\$ 200,000	\$ 1,000	\$ 800	-20%	0.80
\$ 300,000	\$ 1,500	\$ 1,500	0%	1.00
\$ 400,000	\$ 2,000	\$ 2,500	25%	1.25
\$ 500,000	\$ 2,500	\$ 3,500	40%	1.40
\$ 750,000	\$ 3,750	\$ 7,500	100%	2.00
\$ 1,000,000	\$ 5,000	\$ 11,500	130%	2.30
\$ 5,000,000	\$ 25,000	\$ 99,500	298%	3.98
\$ 10,000,000	\$ 50,000	\$ 209,500	319%	4.19
\$ 25,000,000	\$ 125,000	\$ 539,500	332%	4.32
\$ 50,000,000	\$ 250,000	\$ 1,089,500	336%	4.36
\$ 88,000,000	\$ 440,000	\$ 1,925,500	338%	4.38
\$ 100,000,000	\$ 500,000	\$ 2,189,500	338%	4.38



Annapolis, MD 21401 | (443) 620-4408 ph. | (443) 458-9437 fax

May 14, 2020

Council Chair Deb Jung  
Howard County Council  
George Howard Building  
3430 Courthouse Drive, 1<sup>st</sup> Floor  
Ellicott City, MD 21043

Dear Council Chair Jung:

Resolution 84-2020, "A Resolution Increasing the Transfer Tax"  
Resolution 85-2020, "A Resolution Establishing Recordation Taxes"

This letter is on behalf of the Maryland Land Title Association. MLTA represents nearly 3,000 title industry professionals throughout the state of Maryland, with approximately 15% of that number working and/or living in Howard County.

MLTA strongly opposes both resolutions (84-2020 and 85-2020). Overall, MLTA maintains a commitment to the inherent value of homeownership and the consistent positive force it has in our communities. We believe homeownership is the best opportunity for people to securely plant their roots into Howard County, maintain stability and gain financial freedom. In the long term, homeowners across the economic spectrum will contribute immensely to Howard County's revenue streams via the taxes they pay and local businesses they support. This leads to greater resources for social services, transportation and schools - to name a few.

Unfortunately, the rising cost of housing in the County has made it unaffordable for most residents to purchase a home, especially in comparison to other local jurisdictions. By now adding a recordation and transfer tax rate which will be the highest in the state of Maryland, Howard County runs the very real risk of doing the following:

- 1) Driving prospective homeowners to other counties in the state. Historically, when other counties have increased these tax rates, home buyers have opted to move to other counties. For example, when Montgomery County increased their rates in 2016, Prince George's, Frederick and Howard County in Maryland and Arlington and Fairfax County in Virginia reaped the rewards of Montgomery County's increase.
- 2) This surge in tax rates will present immediate challenges to residents across the County, particularly those first-time homebuyers who already found themselves having immense difficulty putting together their final closing costs.

- 3) Of our members based in Howard County, many of them are small businesses and focused specifically on handling Howard County real estate transactions. With an increase in the recordation and transfer tax, there will be less transactions and the County will be punishing small businesses from thriving in the County and may drive these small businesses to neighboring counties.

On top of these consequences, the timing of this increase is catastrophic to the consumer. As we come out of this pandemic emergency and the economy begins to recover, people will still be hesitant about their economic security. Some have delayed their home purchase being finalized because of concerns during the state of emergency. Now add undue (or in the case of those who delayed their settlement, unexpected) burdens of high tax rates on what is an individual's largest priced purchase in their lifetime and you put a huge stop sign up on the road to economic recovery.

While a few hundred dollars may not seem like much for lawmakers dealing with millions of tax dollars, this adds up very quickly for working families. In fact, the down payment is often the greatest impediment for homeownership. The folks who are now tapping into the last of their savings could find relief in saving even a small amount of additional dollars by not being hit with these onerous tax increases.

We understand Howard County, like almost every other jurisdiction across the state and the country is facing a budget shortfall and must have a balanced budget, thus, you are searching for ways to generate more revenue, however, these tax increases are not the panacea for the Howard County budget.

In conclusion, MLTA respectfully asks you to defeat or withdraw the County's Resolutions to increase the transfer and recordation taxes and keep homeownership attainable in Howard County.

Thank you.

Sincerely,



Mark Glazer  
Executive Director  
Maryland Land Title Association

Cc: Councilmember Liz Walsh; Councilmember Dr. Opel Jones  
Councilmember Christiana Rigby; Councilmember David Yungmann

## Sayers, Margery

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**From:** Dwight Crone <dwight@mcfarlininsurance.com>  
**Sent:** Thursday, May 14, 2020 12:57 PM  
**To:** CouncilMail  
**Subject:** Recordation Tax Legislation - CR84-2020 & CR85-2020

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

I'm against the proposed increases to the Transfer Tax and Recordation Tax. Without even considering the current pandemic and it's affect on the individuals and businesses within Howard County, the proposed increases seem arbitrary and unwarranted. Thank you for opportunity to voice my opinion.

I pray everyone stays healthy! Take care!!

Dwight E. Crone, CPCU  
McFarlin Insurance Agency, LLP  
8325 Guilford Road, Suite A  
Columbia, MD 21046  
410-312-7800 Office #  
410-312-7808 Office Fax #  
301-633-4830 Mobile #



## Sayers, Margery

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**From:** no-reply@howardcountymd.gov  
**Sent:** Wednesday, May 13, 2020 8:33 PM  
**To:** jpfeiler@sjpi.com  
**Subject:** Council - Resolution 84-202;85-2020

**First Name:** Jacqueline

**Last Name:** Pfeiler

**Email:** [jpfeiler@sjpi.com](mailto:jpfeiler@sjpi.com)

**Street Address:** 5 Trembly Court

**City:** Catonsville

**Subject:** Resolution 84-202;85-2020

**Message:** I am opposing these resolutions as this makes Howard County uncompetitive and will delay the recovery - this is not a solution for Howard County's fiscal problems. Please implement the recommendations of the Spending Affordability Advisory Committee including creating a stakeholder process to work jointly with all stakeholders to develop a long-term fiscal approach that address the priority needs of the community and is fiscally sustainable. COVID 19 has impacted so many lives and it is going to take time to fully recover. Howard county already has the second highest property tax in the state- this proposed increase in recordation and transfer tax would make Howard County the highest. The tax increases would make worse the already disproportionately high share of local services funded by commercial real estate. Your consideration is greatly appreciated,



Main 410-715-1437  
Fax 410-715-1489  
Web www.hcar.org

May 15, 2020

The Honorable Deb Jung, Chairperson  
Howard County Council  
George Howard Building  
3430 Court House Drive  
Ellicott City, MD 21043

RE: CR 84 and CR 85, Increases to County Transfer and Recordation Taxes

Chairperson Jung and Members of the Council,

The 2,100 members of the Howard County Association of REALTORS® (HCAR) offer our strongest opposition to the combined transfer and recordation tax increases proposed under CRs 84 and 85. Our opposition to these increases is based upon 1) the amounts of the proposed increases, 2) how they impact Howard's competitiveness with other counties, 3) their impacts on housing affordability, and 4) their timing given the real estate market and our current state of emergency.

#### **Every Buyer and Seller Will See a Tax Increase**

Unfortunately, HCAR must dispel the notion that the recordation tax restructuring under CR 85 will result in widespread tax relief for lower-income home buyers and sellers in the County. That is a result of both our current market conditions and the transfer tax increase proposed under CR 84.

As written, CR 85 proposes a slight decrease in recordation taxes for properties under \$250,000. This represents a small and declining portion of Howard's overall real estate market. While approximately 10% of 2019 sales were for properties in this category, currently only 6.5% of active and pending listings in the County are at or below this amount. As real estate appreciates over time, fewer and fewer properties will qualify for this lower rate. They will be pushed into the other brackets outlined in CR 84, all of which are a significant increase over the current 0.5% recordation tax rate.

What is more, the proposed increase to the transfer tax in CR 84 more than offsets any savings in recordation taxes lower-income purchasers may receive. Even the least expensive home purchase in the County will see a tax increase of \$600- \$1,000 if both CRs 84 and 85 are enacted. In fact, to keep the lowest price home sale just at its current local tax burden, recordation fees would need to be eliminated completely on those transactions.



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Web www.hcar.org

Some have argued that since the County's transaction tax rates have not been changed in many years they should be adjusted upward. HCAR could be sympathetic to that argument had the housing prices on which those taxes were levied remained stagnant. They have not. In 1999, Howard County's median home sales price was just under \$174,000; they now stand at \$430,000. That has resulted in an increase in local transaction taxes from \$2,600 up to \$6,450 over that same period, without changing the rate charged. Again, as housing prices increase, the total taxes realized from each transaction will increase along with them.

There are also claims that real estate transaction taxes are directed toward those moving into Howard from elsewhere. This too is an oversimplification. Real estate transaction taxes are typically split between the buyer and seller. Those moving into Howard County will pay one share of these taxes if they choose to purchase a home rather than rent. Likewise, those moving out of Howard County to reside elsewhere will pay the seller's portion of the transaction. It is the current Howard homeowner who wants to stay in the County who pays the full amount of these increases: once on the sale of their current property, and again on the purchase of their next property. If they purchase a new construction or foreclosed dwelling where there is no split with the seller, they will pay that much more.

### **Howard Residents Will Pay More Than Anywhere in Maryland**

It is tempting to look at Howard County's recordation and transfer tax rates separately from one another because they fund two separate areas of the budget. It is also common to see our County's tax rates compared with the rates of other local governments without taking into consideration the home prices upon which those taxes are charged. However, unless those comparisons are made, we fail to see a full picture of where Howard County ranks, and what buyers and sellers must pay at the settlement table.

Unlike other County fees, such as the recently increased school facilities surcharge on new construction, our transaction taxes have kept pace with that of surrounding jurisdictions. The November 2019 Sage Policy Group report on real estate transaction taxes, which is included with this letter, noted that Howard County's existing transfer taxes produced the second-highest out of pocket cost of any jurisdiction in Maryland due to our high housing costs. If this increase were approved, Howard County would charge the highest dollar amount on real estate transactions anywhere in the state, exceeding that of even Montgomery County.

Further, this increase would put our total transaction tax percentage above that of comparable jurisdictions on median priced home sale. Currently, Anne Arundel County charges a total of 1.7% in total local taxes on a typical real estate sale, with Montgomery charging 1.89% and Prince George's charging 1.95%. Howard County would jump ahead of all these Counties, moving to a total of 2.15% in local taxes and fees on a \$430,000 home.



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These excessive transaction tax rates must also be considered along with other taxes and fees charged in the County. Howard's local income tax rate is the maximum allowed in Maryland. Our property tax rates are currently the second-highest levied by a local government and had the recent addition of an increase due to the Fire and Rescue tax. Howard will see dramatic increases to the school facilities surcharge over the next few years. Charging the highest tax rates in virtually every category places Howard at a competitive disadvantage to our surrounding counties not just for real estate, but for broader economic development, revitalization efforts and business retention purposes.

#### **Homeownership Placed Further Out of Reach**

As noted above, Howard County's housing costs are significant. We now trail only Montgomery County for the most expensive housing prices in the state. As a result, it takes both a significant income and a significant amount of savings to contemplate homeownership in Howard.

When thinking about the issue of affordability, it is tempting to focus solely on the cost of the home itself without considering other taxes and fees. However, this does not provide the complete picture. Often, buyers are currently paying rents which are comparable to what their ultimate mortgage payment would be. What is missing, and where many lower-income and first-time buyers need assistance, is with their required closing costs and down payment.

Transfer and recordation taxes and other fees are due at the settlement table, making them a particularly difficult hurdle for those who are not using equity from a prior sale. Once the existing local transfer tax, local recordation tax, state transfer tax and this transfer tax increase are charged on a median price home sale, nearly \$11,000 in taxation alone would be owed by the buyer and seller.

According to a 2019 study by the National Association of Home Builders, each increase of \$1,000 in home prices prevents 1,085 families from achieving homeownership in the Baltimore-Columbia metro region. Under CRs 84 and 85, most home sales in Howard will see a tax increase of at least this amount and likely even more. This will be compounded year after year into the future, as the proposed recordation tax structure stays stagnant while housing prices increase. More and more families will be pushed into higher and higher tax brackets, and further and further away from homeownership.

We must also mention that this increase comes on top of other actions taken by the County which negatively impact housing affordability. Reducing school capacity percentages under APFO, proposed increases to new construction wait times, reductions in setbacks and lot yields in new developments, and significant increases to school construction impact fees have all contributed to reductions in housing



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inventory and higher home costs. HCAR questions how many more of these actions our County's buyers can absorb before homeownership is placed completely out of reach.

### **Timing Complicates Pending Sales, Economic Realities**

As with most sectors of the economy, real estate has been impacted by COVID-19. While Howard's real estate market began the year strong, many buyers and sellers put their plans on hold as stay-at-home orders were enacted. As we begin to reopen our economy, buyers and sellers are expected to venture back into the real estate market only to be faced with two tax increases.

The taxes under CRs 84 and 85 are set to take effect on July 1. Practically speaking, only properties already under contract will be able to avoid a cost increase. That will have real consequences for potential buyers and sellers.

It is possible that buyers will find that the home they could afford to purchase just a few weeks ago is no longer an option for them. Unless they have been able to save several thousand dollars during this pandemic, they will need to scale back their home search to less expensive properties. Move-up buyers, who will realize less equity from their sale and higher costs to purchase, may no longer have their required down payment. This can result in higher mortgage interest rates and the imposition of private mortgage insurance, which can add hundreds of dollars to their monthly payments and tens of thousands in additional borrowing costs over the life of the loan.

In addition, this increase has the potential to most affect those already undergoing financial hardship. We have all heard of the rapidly growing number of unemployment claims and worker furloughs in Maryland. There will also be those who are facing medical conditions, whether related to the pandemic or not. While REALTORS® and others are promoting programs to assist those individuals in remaining in their homes during the length of the current emergency, there will inevitably be those who must sell due to financial or medical issues. Under this increase, those sellers will pay more at the settlement table, and have fewer resources with which to begin their economic or physical recovery.

On a broader note, there is a question as to the rationale for raising taxes during a time of economic uncertainty. Currently, government bodies at every level are seeking ways to provide tax relief and income assistance to their residents because of the pandemic. With these resolutions, Howard seeks to do the opposite. We believe this is an unfair burden for buyers and sellers, who have already had their transactions upended by circumstances beyond their control. We should be promoting home sales as a means of economic recovery - not suppressing them by imposing two tax increases on what is an already expensive process.



**Main** 410-715-1437  
**Fax** 410-715-1489  
**Web** [www.hcar.org](http://www.hcar.org)

The proposed increases to real estate transfer and recordation taxes will place our costs of homeownership far above those of other counties, will make Howard less competitive with our comparable jurisdictions, and come at a time of economic uncertainty we have not experienced in a decade or more. Quite simply, these are tax increases that Howard residents cannot afford.

HCAR must urge the Council, in the strongest terms, to reject CR 84 and CR 85.

Sincerely,

Lisa Wissel  
President, Howard County Association of REALTORS®

## Howard County Local Transaction Taxes: Current v. Proposed (4/27)

Housing Purchase/ Finance Price	County Transfer Tax - Current	County Recordation Tax - Current	Total Local Taxes - Current	County Transfer Tax - Proposed	County Recordation Tax - Proposed	Total Local Taxes - Proposed	Difference + / (-)	Effective Local Tax Rate - Current	Effective Local Tax Rate - Proposed
\$150,000	\$1,500	\$750	\$2,250	\$2,250	\$600	\$2,850	+ \$600	1.5%	1.9%
\$200,000	\$2,000	\$1,000	\$3,000	\$3,000	\$800	\$3,800	+ \$800	1.5%	1.9%
\$250,000	\$2,500	\$1,250	\$3,750	\$3,750	\$1,000	\$4,750	+1,000	1.5%	1.9%
\$300,000	\$3,000	\$1,500	\$4,500	\$4,500	\$1,500	\$6,000	+ \$1,500	1.5%	2.0%
\$350,000	\$3,500	\$1,750	\$5,250	\$5,250	\$2,000	\$7,250	+ \$2,000	1.5%	2.07%
\$400,000	\$4,000	\$2,000	\$6,000	\$6,000	\$2,500	\$8,500	+ \$2,500	1.5%	2.12%
\$430,000	\$4,300	\$2,150	\$6,450	\$6,450	\$2,800	\$9,250	+ \$2,800	1.5%	2.15%
\$500,000	\$5,000	\$2,500	\$7,500	\$7,500	\$3,500	\$11,000	+ \$3,500	1.5%	2.2%
\$600,000	\$6,000	\$3,000	\$9,000	\$9,000	\$5,100	\$14,100	+ \$5,100	1.5%	2.35%
\$700,000	\$7,000	\$3,500	\$10,500	\$10,500	\$6,700	\$17,200	+ \$6,700	1.5%	2.46%
\$800,000	\$8,000	\$4,000	\$12,000	\$12,000	\$8,300	\$20,300	+ \$8,300	1.5%	2.54%
\$900,000	\$9,000	\$4,500	\$13,500	\$13,500	\$9,900	\$23,400	+ \$9,900	1.5%	2.6%
\$1,000,001	\$10,000	\$5,000	\$15,000	\$15,000	\$11,500	\$26,500	+ \$11,500	1.5%	2.65%
\$1,100,000	\$11,000	\$5,500	\$16,500	\$16,500	\$13,700	\$30,200	+ \$13,700	1.5%	2.75%

Note: these calculations do not include the state transfer tax charge of 0.5%



## Sayers, Margery

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**From:** mike.sutter@orange.com  
**Sent:** Thursday, May 14, 2020 2:23 PM  
**To:** CouncilMail  
**Subject:** CALL TO ACTION: Recordation Tax Legislation

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Hello,

Emailing to share my strong disapproval of this legislation. It will decrease the attractiveness of moving to and living in Howard County. Surely \$21M can be found elsewhere in a \$1.8B budget?

Having been HoCo resident for nearly 30 years, and working in Loudoun Co for much of that time...I can tell you HoCo is a far more desirable place to live and work, but there our outer limits to the associated costs.

I would ask you to vote 'no' on these resolutions.

Thanks,

Mike Sutter  
Dorsey Hall / Ellicott City resident  
410.730..410

### **CALL TO ACTION: Recordation Tax Legislation**

The Howard County Council is considering legislation that would aggressively increase both the transfer and recordation taxes. The Chamber urges you to contact the county council and county executive to oppose these tax increases.

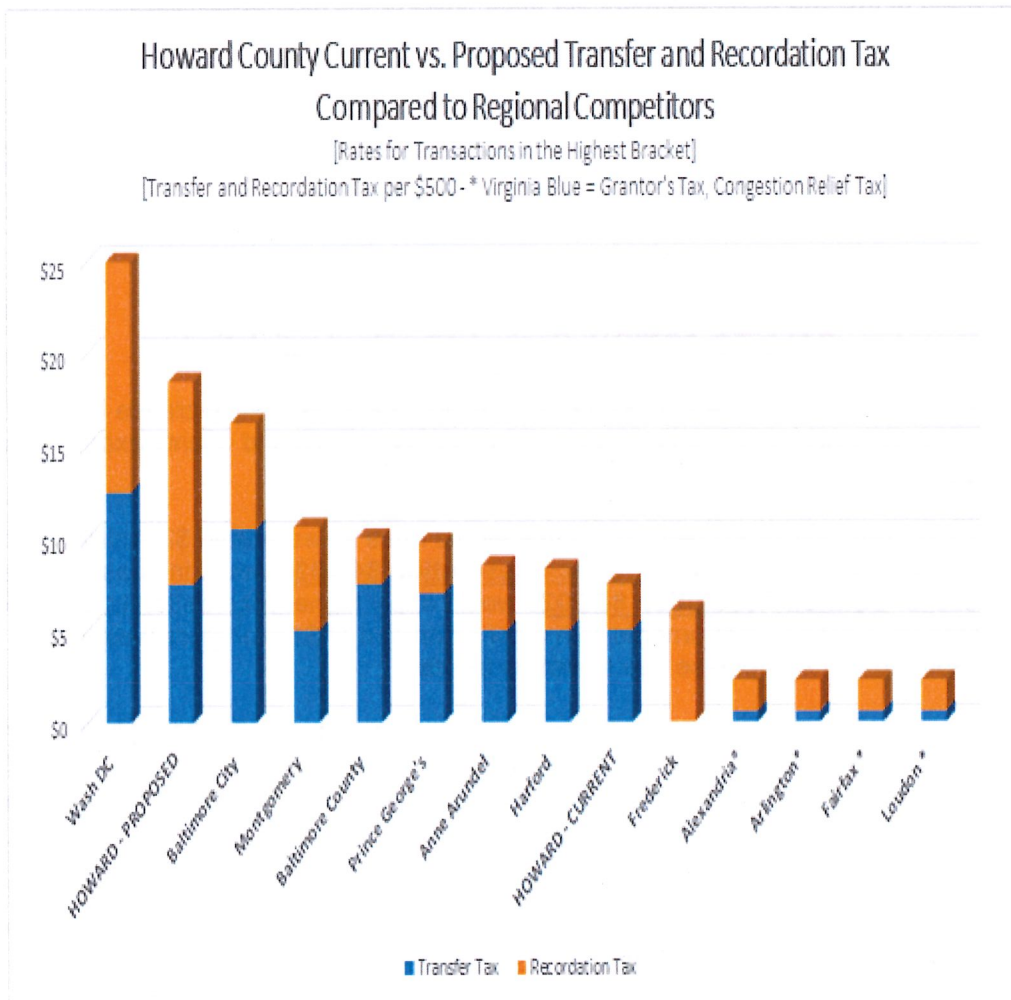
The County Council is considering two resolutions that would raise an estimated \$21 million per year from additional Transfer and Recordation Taxes. **Council Resolution 84-2020** would increase the transfer tax by .5% for all transactions. **Council Resolution 85-2020** would apply higher recordation taxes based on value. In the top bracket recording instruments with a consideration of \$1m or more would jump from the current \$2.50 per \$500 to \$11.00. [please see summary tables.]

Howard County already has the second highest property tax in the state [\$1.25 /\$100] behind only Baltimore City [\$2.36 /\$100] The proposed Recordation and Transfer Tax increases would make Howard County's transactional taxes and combined real estate tax burden among the highest in region. Ultimately, the tax increases affect Howard County's ability to compete.

The Chamber understands the County's current fiscal dilemma. However, legislation like this will impact the county's ability to compete, delay recovery, and not be a sustainable solution to current fiscal constraints. Council members may be emailed at [Councilmail@howardcountymd.gov](mailto:Councilmail@howardcountymd.gov).



Current vs. Proposed	Current	Proposed			
		\$0 to \$250,000	\$250,001- \$500,000	\$500,001- \$1,000,000	\$1,000,001 and above
Transfer Tax (County)	1%	1.5%	1.5%	1.5%	1.5%
Recordation Tax (per \$500)	\$2.50	\$2.00	\$5.00	\$8.00	\$11.00



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## Sayers, Margery

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**From:** no-reply@howardcountymd.gov  
**Sent:** Monday, May 18, 2020 1:47 PM  
**To:** cassidychesnut@hotmail.com  
**Subject:** Council - CR 84 & CR 85

**First Name:** James

**Last Name:** Chesnut

**Email:** [cassidychesnut@hotmail.com](mailto:cassidychesnut@hotmail.com)

**Street Address:** 5443 Watercress Place

**City:** Columbia

**Subject:** CR 84 & CR 85

**Message:** Please Council Members--Do not support the new tax laws CR 84 & CR 85. Having lived in Columbia since I was 4, moving into Wilde Lake in 1967, I grew up knowing Columbia is a great place to live. It is also a very expensive place to live. Please, I strongly encourage all of you, do not pass rules that will make it even MORE expensive to buy and sell homes in Columbia. Kindly, I implore you all, leave well enough alone. Columbia does not need additional living expenses. Sincerely, James Cassidy Chesnut