

County Council of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 6

Resolution No. 84 -2020

Introduced by: The Chairperson at the request of the County Executive

A RESOLUTION increasing the Transfer Tax, the tax on every instrument of writing conveying title to real or leasehold property offered for a record and recorded in Howard County with the Clerk of the Circuit Court, and providing for certain exemptions from the tax.

Introduced and read first time May 4, 2020.

By order

Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Read for a second time at a public hearing on May 18, 2020.

By order

Diane Schwartz Jones
Diane Schwartz Jones, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council on May 27, 2020.

Certified By

Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Approved by the County Executive June 3, 2020

Calvin Ball
Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, Article 14, Section 20.300 of the Public Local Laws of Maryland
2 authorizes the County to impose a tax on every instrument of writing conveying title to real or
3 leasehold property offered for a record and recorded in Howard County with the Clerk of the
4 Circuit Court; and

5
6 **WHEREAS**, this tax is known as the “Transfer Tax”; and

7
8 **WHEREAS**, pursuant to Article 14, Section 20.300 of the Public Local Laws of
9 Maryland, the Transfer Tax is not imposed on conveyances to the state or to any agency or
10 instrumentality thereof, or any political subdivision of the state, or any nonprofit hospital or
11 religious or charitable organization, association or corporation; and

12
13 **WHEREAS**, prior to the 2020 Session of the Maryland General Assembly, Article 14,
14 Section 20.301 of the Public Local Laws of Maryland provided that the tax imposed shall be
15 levied at the rate of one percent of the actual consideration paid or to be paid for the conveyance
16 of title and shall be collected by the Director of Finance before the Clerk of the Circuit Court
17 may accept an instrument of writing for recordation; and

18
19 **WHEREAS**, subject to certain criteria, Section 20.300(b) of Article 14 of the Public
20 Local Laws of Maryland provides that the sale of residential property to teachers, law
21 enforcement officers, or fire and rescue services members may be subject to a reduced or
22 exempted Transfer Tax rate; and

23
24 **WHEREAS**, House Bill No. 1454 (“HB 1454”), passed by the Maryland General
25 Assembly during the 2020 session, amends Section 20.301 of the Howard County Code and
26 authorizes the governing body of Howard County to, by resolution, increase the rate of the
27 transfer tax to support the following public purposes:

- 28 (1) Capital projects for the Howard County Public School System;
29 (2) Capital projects for the Department of Recreation and Parks;
30 (3) Community improvement and housing programs primarily serving low income
31 individuals and families and the homeless and for urban renewal; and
32 (4) The acquisition or leasing of land for new fire house sites and training facilities

1 and the construction and maintenance of fire house and training facilities, the acquisition and
2 maintenance of fire equipment, and supplementation of financial needs of fire companies; and
3

4 **WHEREAS**, HB1454 also provides that the conveyances of moderate income housing
5 units are not subject to the Transfer Tax; and
6

7 **WHEREAS**, in accordance with HB1454, the governing body of Howard County wishes
8 to increase the rate of the Transfer Tax to a rate of ~~1.5 percent~~ 1.25 percent of the actual
9 consideration paid or to be paid for the conveyance of title and shall be collected by the Director
10 of Finance before the Clerk of the Circuit Court may accept an instrument of writing for
11 recordation.
12

13 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
14 Maryland this 27th day of May, 2020 that, pursuant to the authority granted in
15 Section 20.301 and 20.304 of Article 14 of the Public Local Laws of Maryland and subject to the
16 exemptions set forth in Section 20.301 of Article 14 of the Public Local Laws of Maryland, the
17 Transfer Tax rate in Howard County is ~~1.5 percent~~ 1.25 percent of the actual consideration paid
18 or to be paid for the conveyance of title and shall be collected by the Director of Finance before
19 the Clerk of the Circuit Court may accept an instrument of writing for recordation.
20

21 **AND BE IT FURTHER RESOLVED**, the tax imposed by this Resolution does not
22 apply to:

- 23 (1) Conveyances to the state or to any agency or instrumentality thereof, or any political
24 subdivision of the state, or any nonprofit hospital or religious or charitable organization,
25 association or corporation; and
26 (2) Conveyances of moderate income housing units.
27

28 **AND BE IT FURTHER RESOLVED** that this resolution shall be effective July 1, 2020
29 and shall continue in effect until changed or repealed by subsequent resolution of the County
30 Council.
31

32 **AND BE IT FURTHER RESOLVED** that a copy of this Resolution be sent to the

1 Comptroller of the Treasury of the State of Maryland.

County Council of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 6

Resolution No. 84 -2020

Introduced by: The Chairperson at the request of the County Executive

A RESOLUTION increasing the Transfer Tax, the tax on every instrument of writing conveying title to real or leasehold property offered for a record and recorded in Howard County with the Clerk of the Circuit Court, and providing for certain exemptions from the tax.

Introduced and read first time May 4th, 2020.

By order *Diane Schwartz Jones*
Diane Schwartz Jones, Administrator

Read for a second time at a public hearing on May 18, 2020.

By order *Diane Schwartz Jones*
Diane Schwartz Jones, Administrator

This Resolution was read the third time and was Adopted __, Adopted with amendments __, Failed __, Withdrawn __, by the County Council on _____, 2020.

Certified By _____
Diane Schwartz Jones, Administrator

Approved by the County Executive _____, 2020

Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment

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31 individuals and families and the homeless and for urban renewal; and
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1 and the construction and maintenance of fire house and training facilities, the acquisition and
2 maintenance of fire equipment, and supplementation of financial needs of fire companies; and
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9 to be paid for the conveyance of title and shall be collected by the Director of Finance before the
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12 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
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15 exemptions set forth in Section 20.301 of Article 14 of the Public Local Laws of Maryland, the
16 Transfer Tax rate in Howard County is 1.5 percent of the actual consideration paid or to be paid
17 for the conveyance of title and shall be collected by the Director of Finance before the Clerk of
18 the Circuit Court may accept an instrument of writing for recordation.
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24 association or corporation; and
25 (2) Conveyances of moderate income housing units.
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28 and shall continue in effect until changed or repealed by subsequent resolution of the County
29 Council.
30

31 **AND BE IT FURTHER RESOLVED** that a copy of this Resolution be sent to the
32 Comptroller of the Treasury of the State of Maryland.



Amendment 1 to Council Resolution No. 84-2020

BY: Deb Jung

Legislative Day No. 8

Date: May 27, 2020

Amendment No. 1

(This Amendment alters the Transfer Tax rate.)

1 On page 2, in lines 8 and 16, in both instances, strike "1.5 percent" and substitute "1.25 percent".

2

ADOPTED May 27, 2020
FAILED
SIGNATURE Diana Johnson Jones

CR 84 - 2020

Sayers, Margery

From: Alan Spiegel <Alan@TheBeaconNewspapers.com>
Sent: Monday, May 18, 2020 8:12 PM
To: CouncilMail
Subject: CR 84 & CR 85

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

Please vote against CR 84 & CR85 as they will add thousands of dollars in additional taxes to my future home sale and purchase of a new home. A Howard County home transaction is charged the 2nd highest amount of taxes in the state & if these bills are passed, Howard County residents will pay more than any other jurisdiction in the state. Please vote NO!
Thank you!



Alan Spiegel
7213 Wolverton Ct.
Clarksville, MD 21029
240-786-7611



11825 West Market Place | Fulton, MD 20759 | 301-776-6242

May 18, 2020

Re: LETTER IN OPPOSITION OF CR 84-2020 – Transfer Tax

Dear Chairwoman Jung and Members of the Howard County Council:

The Howard County Chapter of the Maryland Building Industry Association (MBIA) writes in opposition of Council Resolution 84-2020, which proposes to increase the County transfer tax from 1% consideration to 1.5%. Not only is a global pandemic an inappropriate time to increase taxes, but this tax is not sufficiently targeted towards its stated purpose.

This Council and the Howard County State Delegation have been discussing a transfer tax increase for several years. The stated intent has always been to increase revenue for schools. However, only 25% of the transfer tax goes to schools; the rest goes to fire, parks, and housing & community development. While these are valid concerns deserving of funding, a tax increase to benefit schools should be specifically targeted for schools.

Even if this tax increase was appropriately directed, now is not the time to increase citizen-paid taxes. Raising the transfer tax would significantly increase the cost of buying and selling a home in Howard County, making it more difficult for our citizens to do so when many are already struggling financially. This would be unfair, especially considering the additional residential taxes assessed on Howard County homes. Furthermore, raising the transfer tax from 1% to 1.5% also makes us more expensive than many competing jurisdictions. Howard County needs to be encouraging new residents to grow the tax base and generate new revenue, not discouraging economic development.

Finally, a global pandemic is not the appropriate time to increase taxes for our citizens. The past two Annual Spending Affordability Reports have indicated that the County's fiscal health will worsen as a result of the School Facilities Surcharge and Forest Conservation Act bills passed by the Council at the end of 2019. The COVID-19 pandemic is exacerbating our financial challenges and creating financial insecurity for many citizens. Now is not the time to increase taxes.

For these reasons, we respectfully request the Council vote NO on Council Resolution 84-2020. Thank you for your attention to this issue and your continued support of the local home building industry.

If you have any questions about these comments and would like to discuss MBIA's position further, please do not hesitate to contact me at abailey@marylandbuilders.org or (202) 815-4445.

Best regards,

A handwritten signature in black ink, appearing to read "Angelica Bailey".

Angelica Bailey, Esq., Vice President of Government Affairs

Cc: Councilman Opel Jones
Councilmember Christiana Mercer Rigby
Councilman David Yungmann

County Executive Calvin Ball
Sameer Sidh, Chief of Staff to the County Executive
Councilmember Elizabeth Walsh

Bruce A. Harvey
Testimony 05/18/2020
Howard County Council
Resolution No. 84-2020

My name is Bruce Harvey and I live in Fulton, MD, I am testifying against Council Resolution 84-2020.

When first proposed, I was in favor of an increase in the County Transfer Tax to put additional funds into School Construction. However, two items have happened since the original proposals. A new School Impact Fee has been passed that increases that Fee on new construction to \$7.50 per square foot, an increase of almost 6 times the current rate. The ideas of supporting the transfer tax increase was to spread the burden of School Infrastructure across the board, so it was not just being built on the shoulders on new construction (a much lower rate than \$7.50 per square foot). The other changed factor is that this current proposal for increasing the County Transfer Tax only allocates .25% of $\frac{1}{2}$ of the increase to School Construction. The extra .25% collected can now be used for other purposes than School Construction, so in essence a general tax increase. I cannot support a tax increase in light of the current shutdown of the economy due to the Coronavirus. Businesses are struggling to stay alive, unemployment is at record levels, and salaries of those still employed are being reduced. A tax increase in this environment is ill advised. We need to defer this discussion until the economy gets back on its feet.

For the above stated reasons, please vote no on Resolution 84-2020.

Thank you for hearing my testimony.

Sayers, Margery

From: no-reply@howardcountymd.gov
Sent: Monday, May 18, 2020 2:51 PM
To: halima.amjad@gmail.com
Subject: District 3 - CR 84

First Name: Halima

Last Name: Amjad

Email: halima.amjad@gmail.com

Street Address: 8716 Polished Pebble Way

City: Laurel

Subject: CR 84

Message: Hello Ms. Rigby, As a resident of your District, I urge you to vote against CR 84. Combined with your resolution, CR 85, both will lead to Howard County home buyers and sellers paying more than anywhere else in Maryland. My husband and I bought our first home here in 2017 and hope to eventually sell this house and buy our "forever" home in Howard County as our children grow up. We would seriously consider moving to other nearby counties if the overall cost of selling and purchasing is lower elsewhere. Thank you for your consideration, Halima Amjad, MD, MPH

Sayers, Margery

From: matt pendergast <matt.pendergast@gmail.com>
Sent: Tuesday, May 26, 2020 1:39 PM
To: CouncilMail
Cc: Jung, Deb
Subject: NO to CR84 and CR85

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

All,

Please vote **NO** to CR84 and CR85, and focus on cutting unnecessary spending during this worldwide pandemic. During this time of economic crisis, it is **unfair** to your constituents to raise recordation fees and transfer taxes to fund things which can clearly wait, an example of which is the Cultural Center in Downtown Columbia.

Thanks
Matt Pendergast
District 4 voter

Sayers, Margery

From: Jones, Diane
Sent: Tuesday, May 26, 2020 11:36 AM
To: Sayers, Margery
Subject: FW: Please do not support CR 84 and CR 85

-----Original Message-----

From: Abraham G <gol.abraham@gmail.com>
Sent: Monday, May 18, 2020 6:58 PM
To: Walsh, Elizabeth <ewalsh@howardcountymd.gov>; Rigby, Christiana <crigby@howardcountymd.gov>; Jung, Deb <djung@howardcountymd.gov>; Yungmann, David <dyungmann@howardcountymd.gov>; Jones, Diane <dijones@howardcountymd.gov>; Glendenning, Craig <cglendenning@howardcountymd.gov>; Regner, Robin <rregner@howardcountymd.gov>
Subject: Please do not support CR 84 and CR 85

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

As a Howard county resident, I am highly concerned about the proposed tax increases under CR 84 and CR 85.

My wife and 3 year old daughter moved to Howard county from California in 2017 and love it here. The people are warm and friendly, the nature is beautiful, the schools are second to none, the parks are great, it is safe, to name a few of the reasons. My wife is pregnant with a son who is due in a few days. As our family grows we will likely need to find a larger home, and we would love if it were in Howard county.

When I looked at the details of the CR 84 and CR 85 tax increases, I realized this would add a large tax burden on us when we sell our current house and then again when we purchase our new house. I understand that taxes are important for the county to run effectively, but I am concerned this tax increase encourages people to rent or to leave Howard county, and not set up roots and become long-term members of our community.

Please do not support this tax increase.

Sincerely,

Mohammad Abraham Kazemizadeh Gol

Narges Golgol

Sayers, Margery

From: Eric Goldberg <egoldberg@oxfordra.net>
Sent: Tuesday, May 26, 2020 10:32 AM
To: CouncilMail
Subject: Proposed Transfer and Recordation Tax Increase

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

Council members, I am writing to request that the county council not enact the narrow and disproportionate recordation and transfer tax increases currently being considered. I believe these increases will make the county uncompetitive, delay recovery and are not the solution to Howard County's fiscal problems.

I am a property owner of commercial real estate in many counties in Maryland including Howard County and I believe that these increases are significant enough that if enacted, would significantly impact my investment decisions and cause me to most likely decide to invest in other areas. And I fear my holdings in Howard County would immediately be negatively affected.

I would urge you and your colleagues to fully 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 addresses the priority needs of the community and is fiscally sustainable,*" and completing a fiscal impact analysis of tax changes and other legislation with the potential for sizable impact revenues and expenditures.

I understand that the County revenues have been significantly impacted from the COVID-19 crisis, but I truly believe trying to improve the budget issues on the backs of real estate owners is not the right solution. Our tenants are experiencing significant pain and consequently, we are as well. This tax increase would only serve to further exacerbate our fiscal woes.

Thank you very much for your consideration.

Regards,

Eric Goldberg

301-983-8000 x 24

301-983-0444 (fax)

240-426-1144 (mobile)



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Sayers, Margery

From: Anna Kristine Ferre <akferre@gmail.com>
Sent: Monday, May 25, 2020 8:50 PM
To: Ball, Calvin; CouncilMail
Subject: Legislation on Recordation and Transfer Tax Increase - Testimony

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

Councilmembers and County Executive Ball,

I am writing to you to express my opposition for legislation to increase recordation and transfer taxes for home purchase/sales. Earlier this year, our family made the tough decision to proceed with the sale of our home in hopes that we can move to a neighborhood where we will not have to worry about our polygon being rezoned ever year.

After weeks of searching, crunching numbers, making room in our budget, and heavily weighing our options, we decided to build with NV homes in Maple Lawn South, which will not be build until later this summer/early fall.

Although some may have the notion that people who buy in Maple Lawn or Maple Lawn South are well off and do not need to worry much about tax increases, I want to emphasize that my family and I fall squarely in the middle class and work very hard to ensure that our two kids will have a solid education in a safe neighborhood. We scrounged every penny and likely dipping into our retirement savings so we can be in a home where our kids can walk to school from elementary school through high school and won't need to worry about being rezoned.

The increase in recordation and transfer taxes will not just affect us...it will cripple us. In a new build, it falls solely on the buyer to pay recordation and transfer taxes. The tax increase will be on us to shoulder alone. If we couldn't come up with the extra funds to cover closing costs due to the tax increase, we won't have a home to go back to as ours has already sold. We chose the least expensive house in that neighborhood and even with the lower cost compared to the others, we would be looking at a tax increase from \$9000 to almost \$20,000 (and that's not including state transfer taxes).

I understand that you all have a very tough job to do...balancing the county's budget and deciding where the money will come from. Trust me, I know this is hard. But I hope the answer you come up with is to NOT take more money from hard working county residents like me. Please consider halting unnecessary spending where you can, at least until the Coronavirus impact to businesses and residents as a whole has been well understood. Like most of us, now is the time to cut unnecessary spending.

My husband and I are counting our blessings. We both still have our jobs and our children are safe and healthy. But we are anxious everyday. We worry that our jobs will ultimately be impacted. We worry that my husband will get sick when he goes outside to get our groceries. We worry that we have chosen the worst possible time to move...why couldn't we anticipate a global pandemic? Why couldn't we anticipate this tax increase proposal? Why didn't we know when we first moved to Howard county that we would end up worrying every year about school rezoning?

If we had a crystal ball, we would have made so many different choices...and we can't be the only ones who have these thoughts weighing heavily in our minds.

Please, I urge you all again to reconsider this tax increase. Step away for a minute from your budget spreadsheet and consider the real-life impact to families looking to buy homes in the county.

Thank you

Anna Shin, Howard County Resident

Sayers, Margery

From: Timothy McCormack <tfmccormack@yahoo.com>
Sent: Monday, May 25, 2020 7:01 AM
To: CouncilMail
Subject: Re: CB 84 and CB 85

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

I write to urge you to vote NO on CB 84 and CB 85. Now is not the time to raise these regressive taxes!

Timothy F. McCormack
7806 Old Litchfield Lane
Ellicott City, MD 21043

Sent from Yahoo Mail for iPhone

Sayers, Margery

From: Shenaz Oomrigar-Sabnis <shenazos@verizon.net>
Sent: Sunday, May 24, 2020 10:17 AM
To: CouncilMail
Subject: NO to CR84 & CR85

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

County Council members,

Happy Memorial Day weekend! It is sacrifices that our fellow country men make have made this holiday possible and I want to remind you that YOU ALL work for us people NOT the developers! Time to make sacrifices not sacrifice us at the behest of greedy developers.

You, the county administration have chosen not to raise nearly 250 DPZ, DPW and DILP fees, among others, for the 20th year in a row, because it would impact the development community during the economic crisis. You are not listening to voices of the people who elected you and DO NOT WANT any increase in their taxes.

It is absolutely SHAMEFUL that a time when we should be reigning in budgets and taxes, Council person Rigby & Jones and CE Ball are choosing to add to the burden of the very people they should be helping. At a time when we are all tightening our budgets, proposing increases of taxes of any kind is being tone deaf and completely ignoring how much people will be hurting because of the lockdown and it's consequences! Why not halt building the \$\$\$\$66 million Cultural Center temporarily instead of adding to the burden of people who are already cutting down on their needs rather than wants (the cultural center is a want NOT a need) and learn a thing about budgeting when in crisis!!

NO MORE TAXES OR INCREASES!!! VOTE NO TO CR84 & 85 or prepare to be VOTED OUT!

I normally do not use CAPS for anything but I feel like you are not listening to us and hence the loud CAPS.

I hope you remember the sacrifices that were made as you celebrate Memorial Day this weekend and do the right thing - VOTE NO to increasing transfer taxes and recordation fees.

Regards,

Shenaz Sabnis

Sent from my iPhone

Sayers, Margery

From: no-reply@howardcountymd.gov
Sent: Friday, May 22, 2020 3:21 PM
To: woldsarah4@gmail.com
Subject: Council - CR 84 and CR 85 Concerns

First Name: Sarah
Last Name: Wold
Email: woldsarah4@gmail.com
Street Address: 7133 Stone Throw Way
City: Elkridge
Subject: CR 84 and CR 85 Concerns

Message: Dear County Council Members and Staff, I am writing to express concerns that, if passed, CR 84 and CR 85 would result in increased local transfer & recordation tax rates on real estate transactions. Please consider the wishes of your constituents and our financial welfare. While Howard County is a county of affluence public servants and teachers like me struggle to afford housing and the high tax rate associated with calling Howard County "home." Please consider us when you make your decisions on CR 84 and CR 85. Respectfully, Sarah Wold

Sayers, Margery

From: Robin Hessey <rmhessey@gmail.com>
Sent: Friday, May 22, 2020 10:54 AM
To: CouncilMail
Subject: In favor of passing CB-84 and CB 85 to raise fees.

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

Honorable Councilmembers,

I am fully in favor of raising the recordation fee and transfer tax, especially since the increases are progressive. I understand these taxes are only levied when you buy or sell a home, so if you don't do that you don't pay it.

I am in support of passing CB-84 and CB-85 to raise these fee/tax rates.

Also, if the NCC project is not funded for FY 21, the Housing Commission's already secured funding package is at significant risk. The consequence of failure to approve capital funding for the NCC is that the \$26.5 million in Low Income Housing Tax Credit (LIHTC) and other State funding—40 percent of the necessary financing—is likely to be withdrawn by the State. Loss of this funding would negate being able to develop this LIHTC project. Failure to proceed or complete a project can result in a loss of points to the developer in future rounds. This would make it extremely difficult for the Commission or Orchard Development to win future LIHTC funding.

Robin Hessey
10768 McGregor Drive
Columbia MD 21044

Sayers, Margery

From: Lisa Schlossnagle <lisabmrss@gmail.com>
Sent: Thursday, May 21, 2020 1:36 PM
To: CouncilMail
Subject: support CB84 and CB85

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

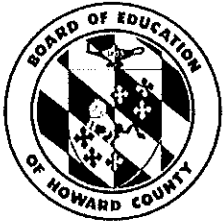
Dear Council,

In previous emails to you, I've shared my support for raising the recordation fee. I also support raising the transfer tax. After seeing the alternatives proposed by Ms. Jung, Ms. Walsh, and Mr. Yungmann, I am even more in support of raising these progressively structured consumption taxes.

Your passage of these bills is the fiscally responsible thing to do. Government austerity in a financial downturn does not accelerate economic recovery, but it does prolong the stress and challenges for most people.

I urge you to pass CB84 and CB85.

All the best,
Lisa Schlossnagle
Fulton, MD (D4)



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

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

**Board of Education
of Howard County**

Mavis Ellis
Chair

Vicky Cutroneo
Vice Chair

Kirsten A. Coombs

Christina Delmont-Small

Jennifer Swickard Mallo

Sabina Taj

Chao Wu, Ph.D.

Allison J. Alston
Student Member

Michael J. Martirano, Ed.D.
*Superintendent
Secretary/Treasurer*

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



HOWARD COUNTY
CHAMBER



GOVCONNECTS



YPN

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

2

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, 1st 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

From: Dwight Crone <dwright@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

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
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



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

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

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

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.

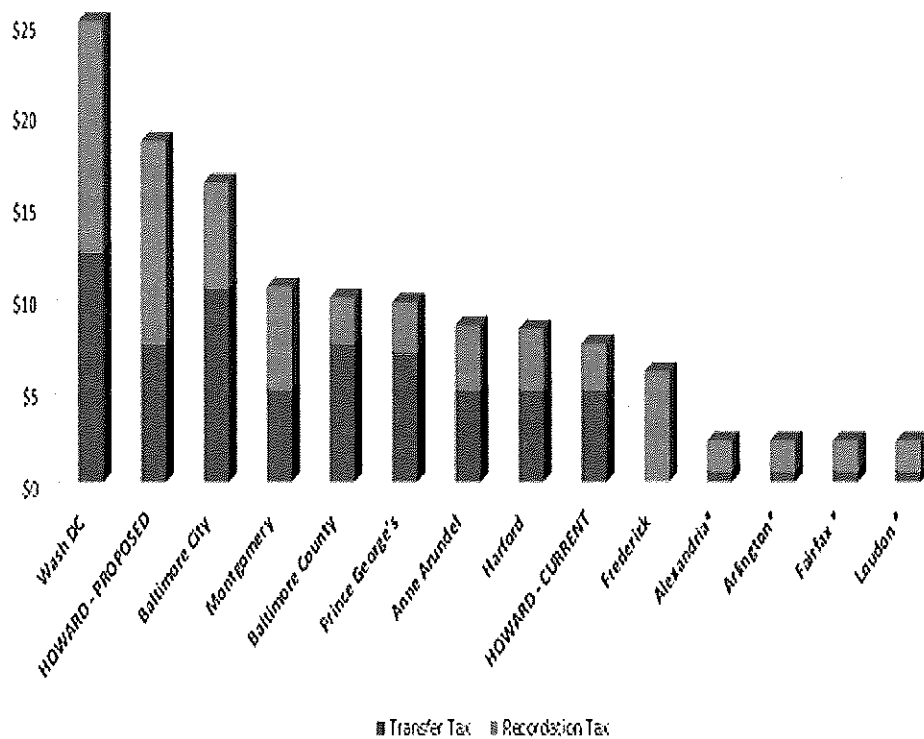
The Chamber understands the County's current fiscal dilemma. However, legislation like this will impact the county's ability to compete, delay recovery, and not be a sustainable solution to current fiscal constraints. Council members may be emailed at **Councilmail@howardcountymd.gov**.

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

Howard County Current vs. Proposed Transfer and Recordation Tax Compared to Regional Competitors

[Rates for Transactions in the Highest Bracket]

[Transfer and Recordation Tax per \$500 - * Virginia's Blue = Grantor's Tax, Congestion Relief Tax]



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Sayers, Margery

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

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