

Calvert County Maryland

RESOLUTION NO: 51 -75

Tax Discount Ordinance

(An Ordinance Establishing a Graduated Scale of Discounts for Payment of County Real Estate Taxes prior to October 1)

WHEREAS, the Board of County Commissioners for Calvert County desires to encourage the payment of County real estate taxes prior to October 1 to enable the County to use and/or invest the taxes collected for the benefit of the County, and therefore, pursuant to Section 48 of Article 81 of the Annotated Code of Maryland, 1957 Edition, as amended, has prepared an Ordinance authorizing a graduated scale of discounts from County taxes for such early payment; and

WHEREAS, in compliance with the Statutory Authority, it did publish a notice for the prescribed period of time that a hearing to be held on the said Ordinance would be held on the 23rd day of December, 1975; and

WHEREAS, after the due notice given, the Board of County Commissioners did hold a public hearing on the 23rd day of December, 1975, at which time suggestions and advice regarding the advisability of establishing a graduated scale of discounts for early payment of County taxes and regarding the extent of the discounts to be granted were heard; and

WHEREAS, after said hearing and due deliberation, the Board of County Commissioners of Calvert County decided to adopt said Ordinance to provide that a graduated scale of discounts shall be allowed, after deducting any property tax credits allowed under the provisions of Article 81, Section 12F-1, et. seq. of the Annotated Code of Maryland, 1957 Edition, as amended, of the following percentages of County taxes from Zero to and including One Thousand Dollars (\$0 - \$1,000.00), if those County taxes are paid succeeding the levy thereof, as follows: if by August 1 - 40%; if by August 15 - 30%; if by September 1 - 20%; and if by September 15 - 10%, and of the following percentages of County

taxes from One Thousand Dollars and One Cent to and including Ten Thousand Dollars (\$1,000.01 - \$10,000.00) if those County taxes are paid succeeding the levy thereof, as follows: if by August 1 - 20%; if by August 15 - 15%; if by September 1 - 10%; and if by September 15 - 5%; and of the following percentages of County taxes above Ten Thousand Dollars (\$10,000.00) if those County taxes are paid succeeding the levy thereof, as follows: if by August 1 - 5%; if by August 15 - 4%; if by September 1 - 3%; and if by September 15 - 2%; and

WHEREAS, after said hearing and due deliberation, the Board of County Commissioners of Calvert County decided that effective for Fiscal Year July 1, 1976, through June 30, 1977, no other discounts other than those provided for hereinafter shall be allowed from the payment of real estate taxes in Calvert County, Maryland, by virtue of this tax discount ordinance.

NOW, THEREFORE, BE IT RESOLVED, THAT, effective for Fiscal Year July 1, 1976, through June 30, 1977, discounts shall be allowed, after deducting any property tax credits allowed under the provisions of Article 81, Section 12F-1, ct. seq. of the Annotated Code of Maryland, 1957 Edition, as amended, of the following percentages of County taxes from Zero to and including One Thousand Dollars (\$0 - \$1,000.00) if those County taxes are paid succeeding the levy thereof, as follows: if by August 1 - 40%; if by August 15 - 30%; if by September 1 - 20%; and if by September 15 - 10%; and of the following percentages of County taxes from One Thousand Dollars and One Cent to and including Ten Thousand Dollars (\$1,000.01 - \$10,000.00) if those County taxes are paid succeeding the levy thereof, as follows: if by August 1 - 20%; if by August 15 - 15%; if by September 1 - 10%; and if by September 15 - 5%; and of the following percentages of County tax above Ten Thousand Dollars (\$10,000.00) if these county taxes are paid succeeding the levy thereof, as follows: if by August 1 - 5%; if by August 15 - 4%; if by September 1 - 3%; and if by September 15 - 2%; and

THAT effective for Fiscal Year July 1, 1976, through June 30, 1977, no other discounts other than those provided hereinbefore shall be allowed from the payment of real estate taxes in Calvert County, Maryland by virtue of this tax discount ordinance; and

THAT, if any of the provisions of this Resolution, or the application thereof to any person or circumstance, is held invalid, the remainder of the Resolution and the application of such provisions to other persons or circumstances shall not be affected thereby.

(A quiet step towards a progressive property tax rate structure--ed.)

Washington Post  
March 26, 1976

## Scaled Tax Rate Ruled Valid in Md.

By Hal Willard  
Washington Post Staff Writer

PRINCE FREDERICK, Md., March 25—Calvert County Circuit Judge Perry Bowen ruled yesterday that a county ordinance setting a scaled discount rate of up to 40 per cent on payment of real estate taxes is "valid and constitutional."

The Baltimore Gas & Electric Co., payer of 67 per cent of Calvert's taxes, sued to overturn the ordinance on grounds it is discriminatory because BG&E's discount would be only 5 per cent.

Under the scale, property owners who pay less than \$1,000 in taxes are eligible for a discount of up to 40 per cent if they pay by Aug. 1. Property owners who pay more than \$10,000 in taxes are eligible for only a 5 per cent discount. There are other gradations in between.

In rural Calvert County, 98.97 per cent of the property owners pay less than \$1,000. Only BG&E and six other property owners pay more than \$10,000.

BG&E paid \$6.8 million in county taxes last year, according to county treasurer Jessie Jo Bowen. The taxes were on the company's 1,100-acre site along the Chesapeake Bay, containing the Calvert Cliffs nuclear power plant, which will have cost the company at least \$755 million by the time its second nuclear reactor unit is

completed at the end of this year.

The Calvert County tax ordinance was enacted on Dec. 23. George Meng, a research lawyer associated with Eugene Pitrof, special counsel to the county commissioners, said he could find no evidence anywhere of a similar ordinance.

Small discounts on taxes are common, Meng said, with discounts specifically allowed by Maryland statute. But the scale up to 40 per cent is unique, Meng said. A 5 per cent maximum is usually the top, he said.

BG&E lawyers said they were not objecting to the law, but felt the 40 per cent maximum discount put the ordinance out of the small discount category. Judge Bowen said in his oral opinion that the Maryland law put no limitation on the discount percentage.

BG&E is appealing the ruling. To expedite the appeal, Judge Bowen announced that he already has arranged for the case to be heard by the appeals court by June.

From the Reader of the Conference on Alternative State & Local Public Policies held June 10-13, 1976 in Austin, Texas. The reader was edited and compiled by Derek Shearer, California Public Policy Center Los Angeles, California and Lee Webb, Professor of Public Policy, Goddard College Plainfield, Vermont.

This item was made available by the Cornell University Library.

From Collection #6756, Conference On Alternative State And Local Policies Records.

### **Copyright and Permissions**

Most of the items included in the Reader on Alternative Public Policies were published without copyright notice and hence entered the public domain upon initial publication. Some of the items found in the Reader are still subject to copyright. In some cases, even after extensive research efforts, we were unable to identify a possible rightsholder. We have elected to place the items in the online collection as an exercise of fair use for strictly non-commercial educational uses.

The Cornell University Library provides access to these materials for educational and research purposes and makes no warranty with regard to their use for other purposes. Responsibility for making an independent legal assessment of an item and securing any necessary permissions ultimately rests with persons desiring to use the item. The written permission of the copyright owners and/or holders of other rights (such as publicity and/or privacy rights) is required for distribution, reproduction, or other use of protected items beyond that allowed by fair use or other statutory exemptions. There may be content that is protected as "works for hire" (copyright may be held by the party that commissioned the original work) and/or under the copyright or neighboring-rights laws of other nations.

The Cornell University Library would like to learn more about these materials and to hear from individuals or institutions having any additional information about rightsholders. Please contact the Division of Rare and Manuscript Collections in the Library at: <http://rmc.library.cornell.edu>.