

**ANNE ARUNDEL COUNTY, MARYLAND
OFFICE OF THE BUDGET**

BILL NUMBER: 57-25

INTRO. DATE: June 2, 2025

FISCAL NOTE

**BILL: AN ORDINANCE CONCERNING: PAYMENT IN LIEU OF TAXES –
ARUNDEL COMMUNITY DEVELOPMENT SERVICES, INC.**

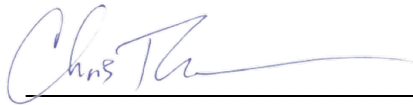
SUMMARY OF LEGISLATION

The purpose of this legislation is to authorize the County Executive to enter into a payment in lieu of taxes (PILOT) agreement in association with properties owned by the Arundel Community Development Services, Inc. (ACDS).

FISCAL IMPACT

The proposed agreement provides for a PILOT for 98 properties under which ACDS would pay a nominal amount of \$1 per property per year. In the most recent fiscal year, these 98 properties generated total of \$182,618 in County property tax revenue. Under the proposed PILOT agreement, County revenue associated with the property is reduced by \$182,519 to \$98.

In general, a PILOT agreement of this nature has no aggregate fiscal impact on County revenue due to the County's property tax revenue cap and the County's policy and practice of maximizing property tax revenue under the cap. Therefore, the total amount of property tax collected by the County will not change, but the relative tax burden among all property tax payers will change to accommodate this credit. Based on the estimated FY2026 assessment and property tax rate, the relative tax burden that will be shifted under this PILOT agreement is about \$188,000 annually and it will likely increase incrementally as ACDS will add more properties into their portfolio and into this PILOT agreement in the future.



Chris Trumbauer
Budget Officer

May 27, 2025
Date

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cc: Billie Penley, Controller