

REAL ADVOCACY FOR REALTORS®

GCAAR'S PUBLIC POLICY BRIEF

May 3, 2019

Montgomery County

Notice of 'Increase' in Property Tax Rate Explained

A recent notice published in local papers was entitled "Montgomery County Notice of Real Property Tax Increase." GCAAR wants to shed more light on this issue.

Each year as part of budget deliberations, the Montgomery County Council must set the property tax rate. Without a unanimous vote, according to the County Charter, the Council cannot set a tax on real property that will produce total revenue that exceeds the total revenue produced by the previous year's real property tax, (plus a percentage of any increase in the Consumer Price Index).

According to State Law, if a taxing authority plans to impose a real property tax rate that is higher than the rate that will produce the exact same amount of revenue, they must advertise the tax increase and subsequently hold a public hearing. While this law only applies to the General Fund revenue produced by this one tax, the real property tax rate does account for two-thirds of total property taxes in all County revenue.

Overall, this year's proposed property tax rate in Montgomery County is \$0.9786 per \$100 of assessed value, slightly below the current rate of 98 cents. There is no current plan for this number to rise, or for the Council to vote to raise the property tax rate this year.



School Boundaries To Be Studied

Over the last few weeks Montgomery County Public Schools (MCPS) has been holding forums to explore what a countywide study on public school boundaries should strive to achieve. This comes after the Board of Education approved a resolution calling for a boundary study.

The Board's approved resolution calls for a boundary study to be undertaken so that the Board and MCPS can look at how the school system might reduce overcrowding and increase diversity in all of its school buildings.

The study only will produce data regarding all 207 schools and the clusters in which they are placed. Any recommendations and possible changes to school boundaries would have to be part of a separate Board effort.



District of Columbia

DCAR Testifies on Behalf of Real Estate Guaranty Fund

DC Association of REALTORS® (DCAR) Public Policy Committee Chair and Board member Deirdre Brown testified to the DC Council last month in support of the Real Estate Guaranty Fund.



This fund is an invaluable resource for real estate professionals and homeowners that has been swept in previous budgets. DCAR has repeatedly fought to ensure the protection of this fund so real estate licensees don't see their fees increased.

[Read the testimony here.](#)

REALTORS® Support Landmark Financial Literacy Bill

DCAR publicly supported Councilmember Robert White's financial literacy bill upon its introduction in April. The legislation would create financial literacy courses for 11th and 12th graders in DC Public Schools.



The courses would teach students about basic personal finance, such as credit, saving, investing and budgeting. As real estate professionals, all of these elements are key to gearing up for homeownership.

Read the [Financial Literacy Education in Schools Amendment Act of 2019](#) here.

Email your feedback or stories to mdlegislative@gcaar.com or dclegislative@gcaar.com.

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