

FY23 Maryland Constant Yield

- The Constant Yield concept is that, as assessments rise, the tax rate should drop to the point that the revenue derived from the property tax stays at a constant level from one year to the next, thus assuring a "constant yield" from this tax source. The Constant Yield Tax Rate is simply a property tax rate that, when applied to new assessments, will result in the taxing authority receiving the same revenue in the coming taxable year that was produced in the prior taxable year
- Maryland's Constant Yield Tax Rate Provision gives property owners a voice in the process before the final tax rates are determined. Its sole purpose is for the benefit of the taxpayer by giving them an opportunity for input/influence on the level of property taxation
- It requires each taxing jurisdiction to give advance notice and hold public meetings prior to the rate setting if they are considering a tax rate higher than the Constant Yield Tax Rate
- The local taxing authority cannot set a tax rate that exceeds that Constant Yield Tax Rate until first advertising its intent to do so
- The taxing authority must meet on the day and time shown in the notice. This meeting must be held between 7 and 21 days after the advertisement is published. The hearing must be held on or before June 17th
- Afterward, the taxing authority may adopt a resolution or ordinance adopting a property tax rate in excess of the Constant Yield Tax Rate, but if the ordinance or resolution adjusting this tax rate is not approved on the day of the public hearing, the day, time, and place where the resolution or ordinance will be scheduled for consideration and approval must be announced at the public hearing