
INTER

OFFICE

MEMO

Office of the Mayor

To: City Council
From: John R. Pick
Subject: Resolution Requesting a Tax Setoff and the formation of a Committee to Study the Tax Setoff Question
Date: August 1, 2005

Attached, for your consideration, is a resolution requesting a tax setoff and calling for the formation of a committee representing the three largest municipalities in Wicomico County and the County Council to study the issue of a tax setoff for these municipalities. The resolution also calls for the retention of an independent consultant to conduct an unbiased study of this issue.

Over the past several months, representatives of Salisbury, Delmar and Fruitland have been meeting and have jointly decided to recommend that the governing bodies of these municipalities adopt similar resolutions requesting both a tax setoff and that a committee be formed to study the tax setoff question. Salisbury has consistently, over the past seven years, requested a tax setoff (sometimes referred to as a tax differential) from the County under existing law. Our request has been turned down each year by the County Council. Neither the Town of Delmar nor the City of Fruitland have requested a tax setoff from the County despite the fact that their governing bodies believe that they are entitled to such consideration. The hope is that the County Council will feel obligated to respond to this request since it is coming from all three municipalities.

If you have any questions, please let me know.

cc: Mayor Tilghman
John Cawley
Brenda Colegrove

RESOLUTION No. 1282

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE FILING OF AN APPLICATION FOR A TAX SETOFF FROM THE WICOMICO COUNTY COUNCIL IN ACCORDANCE WITH SECTION 6-306 OF THE PROPERTY TAX ARTICLE OF THE ANNOTATED CODE OF MARYLAND AND REQUESTING THE FORMATION OF A COMMITTEE REPRESENTING THE THREE LARGEST MUNICIPALITIES IN THE COUNTY AND THE COUNTY COUNCIL TO STUDY THIS ISSUE

WHEREAS, the Salisbury City Council believes that the residents of Salisbury, Maryland are entitled to a county real estate tax setoff; and

WHEREAS, the City Of Salisbury, Maryland is a full-service municipality and provides services to its community, some of which are duplicated by Wicomico County, justifying a county tax setoff in accordance with Section 6-306 of the Property Tax Article of the Annotated Code Of Maryland; and

WHEREAS, the Salisbury City Council believes that it is necessary to establish a committee which would include a representative from each of the municipalities of Delmar, Fruitland and Salisbury and representation from the Wicomico County Council to assess, review and make recommendations to the County Council relative to this issue; and

WHEREAS, the Salisbury City Council believes that it is necessary to contract with an independent auditing firm with no bias or allegiance to either party to perform an analysis of this issue to either confirm or refute our respective positions;

NOW, THEREFORE, BE IT RESOLVED that the Salisbury City Council authorizes the pursuit, by all means necessary, of an agreement with the Wicomico County Council for a tax setoff.

THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Salisbury City Council held on this _____ day of _____, 2005.

ATTEST:

Brenda Colegrove,
CITY CLERK

Michael P. Dunn,
PRESIDENT, City Council

Barrie P. Tilghman,
MAYOR, City of Salisbury

Commissioner Joan Tisinger