



# Town of Upper Marlboro

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## MEMORANDUM

To: Board of Town Commissioners  
From: Kyle Snyder, Town Administrator  
Date: Tuesday, February 14<sup>th</sup>, 2023  
Re: Anticipated Town Revenues & Taxes FY 2024

Commissioners,

Accurately projecting the revenues expected by the Town is essential to ensure that the priorities and plans for the coming year can be realized. As you are aware, our Town revenue source falls under the below four categories:

- Property Taxes – This category includes residential and commercial property taxes, income tax, business personal property tax, and public utility taxes.
- Fines, licenses, and permits – This category includes parking fees and fines, the Town's business licensing program, and other small fees.
- Intergovernmental Revenue – This category includes funding from other levels of government in the form of grants, rebates for Town services, and other small remittances.
- Miscellaneous Revenue – This category includes small services rendered by Town Hall staff that have an associated fee, Event Revenue, and transfers from the Reserve Fund.

### Items to Note:

We will be increasing the revenues for Parking Meters and Fines in FY24 based on this year's performance. Details→

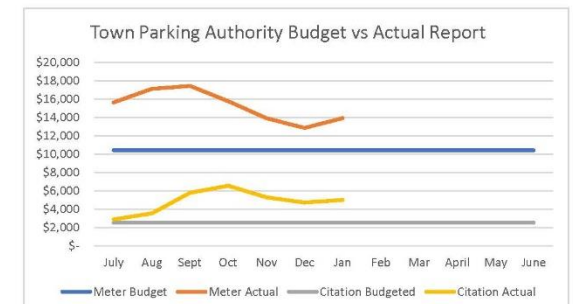
We will see a small increase in property tax revenue with the Phase 2 annexation, along with the scheduled incremental property tax increases.

It is not anticipated that the Vacant Property Tax program will yield much income and will be incorporated into the Property Tax category.

We are waiting on reports from the State to be able to project Entertainment Tax Revenues.

We are closely tracking the speed camera revenues now that all four planned cameras are deployed on Old Crain Hwy and Old Marlboro Pike to have a good projection for FY2024.

	Meter Budget	Meter Actual	Citation Budgeted	Citation Actual	Citations Issued
July	\$ 10,417	\$ 15,618	\$ 2,500	\$ 2,870	\$ 5,095
Aug	\$ 10,417	\$ 17,116	\$ 2,500	\$ 3,530	\$ 9,500
Sept	\$ 10,417	\$ 17,420	\$ 2,500	\$ 5,780	\$ 8,590
Oct	\$ 10,417	\$ 15,748	\$ 2,500	\$ 6,540	\$ 4,650
Nov	\$ 10,417	\$ 13,908	\$ 2,500	\$ 5,285	\$ 5,600
Dec	\$ 10,417	\$ 12,842	\$ 2,500	\$ 4,705	\$ 4,175
Jan	\$ 10,417	\$ 13,903	\$ 2,500	\$ 4,998	\$ 4,690
Feb	\$ 10,417		\$ 2,500		
Mar	\$ 10,417		\$ 2,500		
April	\$ 10,417		\$ 2,500		
May	\$ 10,417		\$ 2,500		
June	\$ 10,417		\$ 2,500		
Total	\$ 125,000	\$ 106,556	\$ 30,000	\$ 33,708	\$42,300



Currently, at \$0.34 per \$100 assessed value, the Town of Upper Marlboro has one of the lowest residential property tax rate of any other municipality in the State. As you may be aware, the other year, the Board of Commissioners unanimously passed Resolution 2021-11 which enacted a Multi-Year Town Tax Rate Step Program. This Resolution proposed the first tax increase to residential properties in the past 40 years to help offset the Town's dependence on parking meter income and allow the Town to provide high-quality municipal services. Tax rates in this Resolution for FY22 were then made official in the FY22 Budget Ordinance. Unless the Board objects, staff will be utilizing the below rates in the FY24 Budget Planning, and they will be formally approved with the FY24 Budget Ordinance to be approved in June.

<b>Classification</b>	<b>FY 22 Rates</b>	<b>Current FY 23 Rates</b>	<b>Proposed FY 24 Rates</b>	<b>Classification Description</b>
Residential Property Tax	\$0.30	\$0.34	\$0.38	Residential Only zoned properties
Commercial Property Tax	\$0.54	\$0.56	\$0.57	Commercially zoned properties
Business Personal Property	\$0.50	\$0.53	\$0.55	What individual business owners pay
Public Utility Tax	\$1.50	\$1.75	\$2.00	Pepco, Verizon, WSSC, Comcast, ect.
Vacant Property Tax	N/A	\$1.25	\$1.50	Confirmed/Registered Vacant Properties
Agricultural Use	N/A	\$0.25	\$0.25	Properties used for farming (only 1)

With Town residential property taxes increasing \$0.04 to \$0.38 per \$100 assessed value, the Town will still have the 2<sup>nd</sup> lowest in the County, with only the City of College Park being lower at \$0.315 per \$100 assessed value (there are two municipalities with rates between CP and UM, however, they also charge a flat fee to all properties in addition to the tax). The City of College Park does not have its own police department to fund, as UMD Campus Police have a large amount of jurisdiction within the municipality. The Town of Colmar Manor has the highest tax rate in the County, at \$0.92 per \$100 assessed value.

**Tax Increase Effect on a Residential Property:** The owner of an average-assed valued home within the Town will see a roughly \$80 increase in Town taxes with this proposed tax increase.

<b>Residential Property Value</b>	<b>FY 22</b>	<b>FY 23 (Current)</b>	<b>FY 24 (Proposed)</b>
\$200,000	\$600	\$680	\$760