

RESOLUTION NO. RS-06-07

(Retention by towns of portion of building excise taxes - retroactivity)

RECITALS

Section 2-701 of the Code of the Public Local Laws of Washington County, Md. ("the Statute") provides that the Board of County Commissioners of Washington County, Maryland (the "Board") has the authority to impose a building excise tax.

Section 2-701 provides for municipalities in Washington County with an adequate public facilities ordinance ("APFO") with school adequacy standards that are substantially similar to or more stringent than those in the County Adequate Public Facilities Ordinance to retain a portion of building excise taxes collected in the town.

Building excise taxes have been collected in the municipalities since July 1, 2005, the effective date of the Washington County Building Excise Tax Ordinance ("BETO").

Due to changes in the County BETO and other reasons, some of the municipalities have not yet adopted APFOs compliant with the Statute.

The Board desires to allow the municipalities that adopt compliant APFOs to retain the municipal share of building excise taxes, retroactive to July 1, 2005, by means of an extension of time to adopt their APFOs for a period of one hundred eighty (180) days from the adoption of the latest version of the County APFO, adopted on November 1, 2005.

This Board previously passed a resolution on January 10, 2006 extending the time to 120 days, but that has been insufficient according to at least one of the municipalities. The earlier resolution should be repealed in light of the need to increase the period of time.

The County Attorney shall review each of the municipal APFOs for compliance with the school adequacy provisions of the County APFO and shall make recommendations to the Board as to whether each municipality shall be permitted to retain or recover the municipality's share of building excise tax proceeds collected in the municipality.

The Board expressly finds that adoption of this resolution would be in the best interests of the citizens and municipalities of the County.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Washington County, Maryland, that:

1. A municipality adopting an APFO compliant with the County BETO and the school adequacy provisions of the County APFO on or before May 1, 2006 shall be entitled

to retain or recover the share provided in the County BETO of any building excise taxes collected in the municipality, retroactive to July 1, 2005.

2. The Director of Budget and Finance, or any County agency holding proceeds of the BETO arising from building excise taxes originating in any municipality with a compliant APFO shall pay the municipal share of such proceeds to the municipality, retroactive to July 1, 2005.

3. The previous resolution adopted on January 10, 2006, extending the time for 120 days, is hereby repealed.

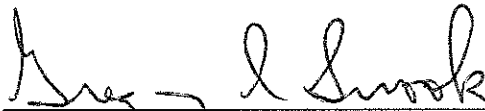
Adopted and effective this 28th day of February, 2006.

ATTEST:

BOARD OF COUNTY COMMISSIONERS OF
WASHINGTON COUNTY, MARYLAND




Joni L. Bittner, Clerk



Gregory I. Snook, President

Approved as to form
and legal sufficiency:



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