

CHARTER AMENDMENT RESOLUTION NO. 2020-2

A RESOLUTION TO AMEND THE CHARTER OF THE CITY OF SALISBURY, MARYLAND BY DELETING THE MAXIMUM TAX RATE DESCRIBED IN SECTION § SC7-35 OF ARTICLE VII.

WHEREAS, Section SC7-35 of the Salisbury City Charter establishes a maximum property rate of \$.76 per \$100 valuation for all general purposes other than for servicing bonds; and

WHEREAS, the City Council of the City of Salisbury has determined it is in the best interest of the citizens of Salisbury that the maximum tax rate be eliminated.

NOW, THEREFORE, BE IT RESOLVED by the Salisbury City Council, by virtue of the authority granted in Article XI-E of the Constitution of Maryland, Local Government Article § 4-301 et seq. of the Annotated Code of Maryland and § SC21-1 and § SC21-2 of the Salisbury City Code, that § SC7-35 of the Salisbury City Charter is amended as follows:

§ SC7-35. - Taxable property.

All real and tangible personal property within the limits of the City of Salisbury, or which may have a situs there by reason of the residence of the owner therein, shall be subject to taxation for municipal purposes, and the assessment for said purpose shall be the same as that for state and county purposes. **[[The Mayor and Council of Salisbury shall not tax property for all general purposes other than servicing bonds at a rate greater than seventy-six cents (\$0.76) on each one hundred dollars (\$100.) of assessed valuation.]]**

EXPLANATION:

* *ITALICIZED AND UNDERLINED PRINT INDICATES MATERIAL ADDED TO EXISTING LAW.*

Deleted material from the existing Charter is indicated by bold double bracketed **[[]]** language.

AND IT BE FURTHER RESOLVED THAT in accordance with Maryland Annotated Code, Local Government Article, Subsection 4-304, the Mayor and/or the City Clerk, who are authorized to act as outlined below, shall:

- a. Post a complete and exact copy of this Charter Amendment at the City Government Building, for at least forty (40) days after the passage of this Resolution; and
- b. Advertise a fair summary of this Resolution, which is deemed by the City Council to be the title of this Resolution, once per week for four (4) weeks in a newspaper of general circulation within the City of Salisbury beginning immediately after the passage of this Resolution.

AND, BE IT FURTHER RESOLVED by the Salisbury City Council that the title of this Resolution shall be deemed a fair summary of the amendments provided for herein for publication and all other purposes;

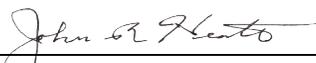
AND, BE IT FURTHER RESOLVED by the Salisbury City Council that this Resolution shall take effect fifty (50) days from and after the date of its final passage and that its provisions shall be implemented on the 30th day of June, 2020, subject to the right of referendum. The City Clerk, on behalf of the Mayor, is hereby directed to proceed with the posting and publication of this Resolution, and the sending of information concerning the charter amendments provided for herein to the Maryland Department of Legislative Services pursuant to the requirements of the Maryland Annotated Code, Local Government Article, Subsection 4-304.

This Resolution was introduced, read and passed at a meeting of the Salisbury City Council held on the 11th day of May 2020.

ATTEST:



Kimberly R. Nichols,
City Clerk



John R. Heath, President
Council of the City of Salisbury

Publish: May 16, 2020
May 23, 2020
May 30, 2020
June 6, 2020



City of
Salisbury
Jacob R. Day, Mayor

To: City Council

From: Julia Glanz, City Administrator *Julia Glanz*

Subject: Elimination of the City's Maximum Real Property Tax Rate

Date: April 29, 2020

The max tax rate in SC7-35 of the City Charter is \$.76 per \$100 valuation for all general purposes other than for servicing bonds. In FY21, the existing debt service on bonds declines thereby reducing the max tax rate allowed. Also, in FY21 the Real Property Assessments rise. These conditions result in the existing max tax rate exceeded in FY21 even if the FY20 tax rates are maintained and not increased.

The Mayor recommends that the Council eliminate the max tax rate. The maximum tax rate is an arbitrary figure that we set a number of years ago and does not bear any relationship to the current costs to the City for service delivery to our citizens.

It is important the charter change to the tax rate goes into effect in time for the adoption of the FY21 budget. It is necessary for the Council to act on this charter change in time to comply with the requirement that the change is not effective until after fifty (50) days from when it is adopted.