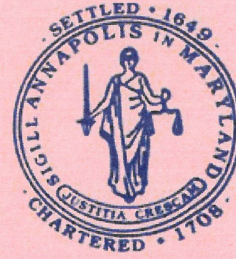




City of Annapolis
Signature Copy
R-7-26



Support of Maryland General Assembly House Bill 1142, Establishing the Task Force to Modernize County and Municipal Revenue Sources

For the purpose of expressing the support of the Annapolis City Council for Maryland General Assembly House Bill 1142, which establishes a Task Force to Modernize County and Municipal Revenue Sources; and urging the Maryland General Assembly to pass said legislation.

City Council of the
City of Annapolis

Resolution 7-26

Introduced by: Mayor Littmann

Co-sponsored by: Alderwoman O'Neill, Alderman Savidge, Alderman Smith-Brown

A RESOLUTION concerning

Support of Maryland General Assembly House Bill 1142, Establishing the Task Force to Modernize County and Municipal Revenue Sources

FOR the purpose of expressing the support of the Annapolis City Council for Maryland General Assembly House Bill 1142, which establishes a Task Force to Modernize County and Municipal Revenue Sources; and urging the Maryland General Assembly to pass said legislation.

WHEREAS, The City of Annapolis is a premier tourist destination that draws millions of visitors annually to its historic waterfront, maritime heritage, restaurants, and cultural events, generating substantial sales tax revenue for the State of Maryland; yet, Maryland does not permit its municipalities to share in sales tax receipts, leaving Annapolis unable to capture revenue from the very economic activity its character and infrastructure make possible; and

WHEREAS, According to the Maryland Municipal League, Maryland is one of only six states that fails to share tax revenue from the sale of goods or services with local governments, creating an over-reliance on local property taxes as the primary local revenue source; and

WHEREAS, A significant portion of land within the City of Annapolis is owned by government entities that are exempt from the City's property tax revenue base, including the State House complex, Maryland's two highest Courts, State office buildings, the United States Naval Academy, and Anne Arundel County facilities, substantially reducing the taxable property base upon which the City depends for the majority of its operating revenue; and

WHEREAS, This concentration of tax-exempt government and military property within City limits forces an inequitable burden onto Annapolis' residential and commercial property taxpayers, who must bear the full cost of City services that benefit the entire region; and

WHEREAS, Municipal governments across Maryland, including the City of Annapolis, are facing unprecedented inflationary pressures on construction materials, fuel, and labor, alongside increasing State-mandated costs and expanding service demands, making the need for a modernized and diversified local revenue framework more urgent than at any prior time; and

WHEREAS, Maryland's current local revenue structure has not been comprehensively reformed in decades and does not reflect the modern economy's shift toward services, digital commerce, and tourism-driven activity, all of which generate substantial economic value within the City of Annapolis without contributing proportionately to local government revenues; and

WHEREAS, The proposed Task Force to Modernize County and Municipal Revenue Sources established under House Bill 1142 would provide a data-driven, non-partisan forum to study these structural inequities and recommend solutions that allow municipal governments like the City of Annapolis to achieve fiscal resilience, reduce the burden on local property owners, and ensure that those who benefit from City services contribute equitably to the cost of providing them.

NOW, THEREFORE, BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that:

1. The City formally supports the passage of House Bill 1142 in the Maryland General Assembly and urges the House Ways and Means Committee to issue a Favorable Report.

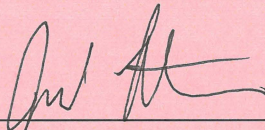
2. The City Clerk shall send a copy of this resolution to:
1. State Senator Shaneka Henson of District 30;
 2. State Delegate Dana Jones of District 30A;
 3. State Delegate Dylan Behler of District 30A; and
 4. Staff at the Maryland Municipal League

AND BE IT FINALLY RESOLVED BY THE ANNAPOLIS CITY COUNCIL that this resolution shall take effect upon passage.

ADOPTED this 23rd day of March 2026.

Aye: 9 Mayor Littmann, Alderman Huntley, Alderwoman O'Neill, Alderman Smith-Brown, Alderwoman Allsup-Johnson, Alderman Schandelmeier, Alderwoman Contee, Alderman Savidge and Alderman Thorp

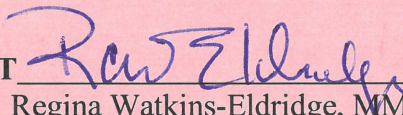
**THE ANNAPOLIS CITY
COUNCIL**


Jared Littmann, Mayor

Date:

March 24, 2026

ATTEST


Regina Watkins-Eldridge, MMC,
City Clerk

Date:

3/24/26

