

**CHARLES COUNTY
NOTICE OF A PROPOSED REAL
PROPERTY TAX INCREASE**

The County Commissioners of Charles County proposes to increase real property taxes.

1. For the tax year beginning July 1, 2008, the estimated real property assessable base will increase by 9% from \$12,295,269,757 to \$13,407,139,007 in the unincorporated areas.

2. If Charles County maintains the current tax rate of \$1.026 per \$100 of assessment, real property tax revenues will increase by 9% resulting in \$11,407,779 of new real property tax revenues.

3. In order to fully offset the effect of increasing assessments, the real property tax rate should be reduced to \$.941 the constant yield tax rate.

4. The County is considering not reducing its real property tax rate enough to fully offset increasing assessments. The County proposes to adopt a real property tax rate of \$1.026 per \$100 of assessment. This tax rate is 9% higher than the constant yield tax rate and will generate \$11,407,779 in additional property tax revenues.

A public hearing on the proposed real property tax rate increase will be held at 7:00p.m. on May 14, 2008 at the Charles County Government Building, Auditorium, 200 Baltimore Street, La Plata, Maryland.

The hearing is open to the public, and public testimony is encouraged.

Persons with questions regarding this hearing or with special needs may call (301) 645-0570 for further information.

There are certain municipalities within the County which have different county tax rates. The assessments, revenues, and tax rates above exclude the municipalities. The following chart provides the estimated assessable base and tax rates for those municipalities.

	Percentage Increase In Base	Previous Assessable Base	New Assessable Base	Current Tax Rate (1)(2)	
County Wide-Excluding Towns	9.0%	\$12,295,269,757	\$13,407,139,007	\$1.026	
Indian Head	9.5%	251,915,183	275,883,681	0.991	
La Plata	8.9%	912,988,714	993,914,631	0.949	
Port Tobacco	13.2%	2,262,090	2,560,633	1.026	
		<u>\$13,462,435,744</u>	<u>\$14,679,497,952</u>		
	Additional Revenue Current Rate	Constant Yield Tax Rate (1)	Proposed County Tax Rate (1)(3)	Percentage Higher Than Constant Yield Rate	Additional Revenue Proposed Rate
County Wide-Excluding Towns	\$11,407,779	\$0.941	\$1.026	9.0%	\$11,407,779
Indian Head	237,528	0.905	0.991	9.5%	\$237,528
La Plata	767,986	0.872	0.948	8.8%	\$755,375
Port Tobacco	3,063	0.906	1.026	13.2%	\$3,063

(1) Includes County wide Fire and Rescue Tax of \$.064 per \$100 of assessed value.

(2) Net of current tax rate differential of \$.077 in the town of La Plata and \$.035 in the town of Indian Head per \$100 of assessed value.

(3) Net of proposed tax rate differential of \$.0780 in the town of La Plata and \$.035 in the town of Indian Head per \$100 of assessed value.