



Takoma Park City Council Meeting – February 12, 2025

Agenda Item 1

Regular Meeting

Maryland Department of Assessments and Taxation (SDAT) Presentation on the Assessment Process

Recommended Council Action

Receive SDAT Presentation and Host Council Q&A

Context with Key Issues

Every three years, the Maryland Department of Assessments and Taxation releases real property tax assessments for property in Takoma Park. The most recent assessment was released in December 2024 and took effect January 1, 2025 for the 2025 – 2027 triennial cycle. The City of Takoma Park has developed an interactive map displaying the most recent property tax assessments. A link to the map is included in the Attachment and Links section below.

Maryland law gives municipalities the authority to define specific categories for property tax rates. The City of Takoma Park has established four tax classifications for real property: Apartments, Commercial, Residential, and Vacant. Most of the land in the City is residential, generally single-family homes.

Property taxes are determined by two factors:

1. The total assessed value of the property (land and improvements), and
2. The property tax rate.

Property tax rates are set by each taxing jurisdiction. In Takoma Park, taxing jurisdictions include the State of Maryland, Montgomery County, and the City. No restrictions or limitations on property taxes are imposed by the State of Maryland, which gives jurisdictions such as Takoma Park and Montgomery County the discretion to set tax rates at the level they require to fund governmental services.

Property tax rates are expressed as a dollar amount per \$100 of assessment. Residential and commercial property taxes in the City of Takoma Park are currently \$0.5522 per \$100 of assessed value. Assessments are based on the fair market value of the property.

Council Priority

Fiscally Sustainable Government

Engaged, Responsive and Service-Oriented Government

Environmental Impact of Action

There are no known environmental impacts resulting from property tax assessments.

Prepared by: David Eubanks, Deputy City Manager

Approved by: Robert DiSpirito, City Manager

Posted: 1/31/2025

Fiscal Impact of Action

Property taxes are the primary driver of revenues for City operations accounting for approximately 54% of all City revenue at \$17.1M according to the City's FY26 Financial Forecast.

Historically, property tax revenue has increased about 4% annually.

Racial Equity Impact Statement

There are no known racial equity impacts resulting from property tax assessments.

Attachments and Links

[Fiscal Year 2025 Adopted Budget](#)

[Fiscal Year 2026 Financial Forecast](#)

[Assessment Appeal Process](#)