



April 11, 2023

The Honorable Evan Glass  
Council President  
Montgomery County Council  
100 Maryland Avenue  
Rockville, Maryland 20850

Dear Council President Glass and Members of the County Council:

The Montgomery County Chamber of Commerce (MCCC) strongly opposes the fiscally irresponsible proposal in the County Executive's Fiscal Year 2024 Operating Budget to increase Montgomery County's property taxes by ten percent. MCCC urges the County Council to reject this proposed property tax increase.

Currently, Montgomery County's property tax is roughly 99 cents per \$100 of assessed value. The County Executive's budget proposal is asking local businesses and homeowners to shoulder a ten cent increase per \$100 of assessed value. While the Chamber is supportive of funding budget priorities in Montgomery County that enhance our quality of life and grow the ability for local businesses to be competitive, a property tax increase, especially one of this size and scope, is untenable and must be rejected by the County Council.

This massive tax increase was made without any outreach to impacted businesses or the business community at large. It is those businesses, and homeowners, that must bear the brunt of one of the largest tax increases ever proposed in Montgomery County. The County, by many measures, is an expensive place to run a business. This negatively impacts the County's ability to compete with surrounding jurisdictions where taxes are lower and costs for doing business are less burdensome. Montgomery County simply cannot afford a massive tax increase and if it wants to stay competitive for businesses, jobs, and the tax base that they provide.

Businesses in Montgomery County are already struggling to compete for talent in an a historically tight labor market. The efforts to attract and retain workers hinges on several factors, but housings costs and the ability to afford living locally already are major challenges. The availability of low and middle income housing is scarce in Montgomery County and nearing crisis levels as prices increase and housing permits decline. For those reasons alone, it is mystifying why such a massive property tax increase is even being proposed.

In summary, MCCC contends that a 10% property tax increase would:

- Increase tax liability for locally located businesses
- Further erode housing affordability
- Increase the cost of living

- Hamper talent recruitment and retention
- Harm regional competitiveness
- Drive down ability to buy a home
- Reduce local housing inventory
- Slow permits for new housing

For these reasons, MCCC asks the County Council to reject the County Executive's proposal to increase the property tax in Montgomery County. As always, we look forward to continuing to partner on ways to move Montgomery County forward. As you continue your important work, please do not hesitate to reach out if we can be of assistance.

Sincerely,



Georgette "Gigi" Godwin  
President & CEO  
Montgomery County Chamber of Commerce