



**Bill 22-24, Taxation - Collection of Development Impact Taxes**  
**Montgomery County Council**  
**December 3, 2024**  
**Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Bill 22-24, *Taxation - Collection of Development Impact Taxes*.

Bill 22-24 requires the collection of development impact taxes at final inspection of a building. Current law mandates that the applicant for a building permit pay the development impact taxes at six or 12 months, depending on the type of construction, after the building permit is issued, or the final inspection of the building by the Department of Permitting Services, whichever is earlier.

The bill sponsor states that the intent of the bill is to address the timing of taxes and fees in a revenue-neutral manner and lower upfront housing construction costs for developers. This is all done as part of an effort to address Montgomery County's housing shortage, and a way to increase housing stock is to make it easier and more affordable for developers to build new residential units.

MCCC contends that this proposed policy change will hasten development because it delays the payment based on the timing of delivery. This change will more closely align the payment of these taxes with the delivery of the actual housing units. Moreover, it will increase Montgomery County's competitiveness regionally while seeking to proactively address housing shortages.

The Chamber hopes this bill, along with efforts to examine the role of impact taxes, will help address the cost of new development and make housing more attainable. Additionally, MCCC applauds the County Council's effort to create an impact taxes task force and asks that it be included in the selection of representatives from the private sector to sit on such a task force.

**For these reasons, the Montgomery County Chamber of Commerce supports Bill 22-24 and respectfully requests favorable consideration of the bill.**

*The Montgomery County Chamber of Commerce (MCCC), established in 1959, is an independent non-profit membership organization. MCCC advocates on behalf of our members for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success.*

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