

Benefits districts to be asked to pay for tax error

Some council members call officials' decision unfair because city is to blame for residents' overpayments

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Baltimore Sun, May 30, 2008

Baltimore's benefits districts will be asked to pay for the cost of a property tax error that might have caused thousands of residents in Charles Village, Bolton Hill and other neighborhoods to overpay their tax bills, city officials told a City Council panel yesterday.

The decision, which the officials described as informal, sparked criticism from council members who argued that the city, not the benefits districts, is to blame for the error and that the districts are unable to afford refunds.

"That is unbelievably unfair to the districts that were operating on information provided by the city," said City Councilman William H. Cole IV, who represents residents of the Midtown Community Benefits District. "By doing that, you put a burden on the districts they can't possibly shoulder."

At issue is a special property tax charged by the Midtown district and the Charles Village Community Benefits District, which use the revenue to provide additional services. The city, which approves the tax rate for the districts and mails their bills, did not apply certain tax credits.