

December 2010

The County Council and County Executive
of Prince George's County, Maryland

Re: Tax Collections Made Under the Tax-Property
Article, Title 13, Subtitle 3, Agricultural
Land Transfer Tax, Section 13-302, of the
Annotated Code of Maryland

The State of Maryland's Department of Agriculture requires an audit of tax receipts collected under the authority granted by the Tax-Property Article, Title 13, Subtitle 3, Agricultural Land Transfer Tax, Section 13-302, of the Annotated Code of Maryland, and the subsequent disposition of these tax receipts for the period July 1, 2009 to June 30, 2010.

Under the law applicable to the fiscal year ended June 30, 2010, all tax receipts related to woodlands are to be remitted to the Comptroller of the Treasury. Two-thirds of the tax receipts related to agricultural land are to be remitted to the Comptroller of the Treasury, and one-third of the tax receipts related to agricultural land is to be held in a special account by the subdivision (i.e., the County). The County's one-third, which is held in a special account by the County, is to be used for an approved agricultural land preservation program. If, after three years, these funds have not been expended or committed, they are to be remitted to the State.

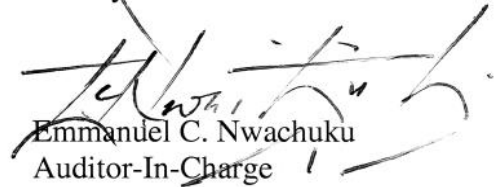
The Agricultural Land Transfer Tax is collected by Prince George's County based on the information that is provided by the State of Maryland's Department of Assessments and Taxation. We reviewed the records maintained at the State of Maryland's Department of Assessments and Taxation and the reports generated by Prince George's County relating to the land subject to this tax. Our examination involved tests of the records and auditing procedures, as we considered necessary.

Exhibit A presents the fiscal year 2010 tax collection activity, the amounts transmitted to the Comptroller of the Treasury and the amounts retained by Prince George's County.

In our opinion, Exhibit A fairly presents the financial activity of Prince George's County regarding tax collections made under the authority granted by the Tax-Property Article, Title 13, Subtitle 3, Agricultural Land Transfer Tax, Section 13-302 of the Annotated Code of Maryland.



David H. Van Dyke, CPA
County Auditor



Emmanuel C. Nwachuku
Auditor-In-Charge

PRINCE GEORGE'S COUNTY, MARYLAND
SUMMARY OF AGRICULTURAL LAND TRANSFER TAX COLLECTIONS
REMITTANCES TO THE COMPTROLLER OF THE TREASURY
AND AMOUNTS RETAINED BY PRINCE GEORGE'S COUNTY
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Balance Retained as of June 30, 2009		\$2,835,815
Fiscal Year 2010 Activity		
Agricultural Land Transfer Tax Collections:		
Agricultural Land		21,567
Less:		
Remittance to the Comptroller of the Treasury:		
Agricultural Land 2/3 Portion (June 30, 2010)	\$14,378	
Administrative Expenses	<u>7,189</u>	(21,567)
Maryland Agricultural Land preservation Foundation (MALPF) Acquisitions:		
Purchase of Easements		<u>(2,348,956)¹</u>
Balance Retained as of June 30, 2010		<u>\$486,859</u>
Balance Retained Consisted of:		
Fiscal Year Ended:		
June 30, 2006	\$277,059 ¹	
June 30, 2007	159,207	
June 30, 2008	50,592	
June 30, 2009	0	
June 30, 2010	<u>0</u>	
Total		<u>\$486,858</u>

¹ During the year, the sum of \$2,348,956 was spent on MALPF acquisitions. To acquire these easements, the retained balances of \$1,502,052 for FY 2005 and \$846,904 for FY 2006 were used.