

August 2009

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, 2007 to June 30, 2008.

Under the law applicable to the fiscal year ended June 30, 2008, all tax receipts related to the 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 are 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.

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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 by 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 2008 tax collection activities, 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. Nwachukwu
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, 2008

Balance Retained as of June 30, 2007		\$3,915,818
Fiscal Year 2008 Activity		
Agricultural Land Transfer Tax Collections:		
Agricultural Land		\$241,776
Less:		
Other Adjustments (Refunds)		49,030
Remittance to the Comptroller of the Treasury:		
Agricultural Land 2/3 Portion (June 30, 2008)		112,154
Administrative Expenses		<u>30,000</u> 50,592
MALPF Acquisitions: Purchase of Easement		<u>707,804</u>
Balance Retained as of June 30, 2008		<u>\$3,258,606</u>
 Balance Retained Consisted of:		
Fiscal Year Ended:		
June 30, 2004		\$34,002 ⁽¹⁾
June 30, 2005		1,890,841
June 30, 2006		1,123,964
June 30, 2007		159,207
June 30, 2008		<u>50,592</u>
Total		<u>\$3,258,606</u>

⁽¹⁾ Balance retained for Fiscal Year ended June 30, 2004 was \$741,806. Of this amount, \$707,804 was expended for the purchase of an easement. The balance of \$34,002 was committed towards the purchase of five proposed MALPF properties, and, as a result was not returned to the Comptroller of the Treasury.