

January 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, 2008 to June 30, 2009.

Under the law applicable to the fiscal year ended June 30, 2009, 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.

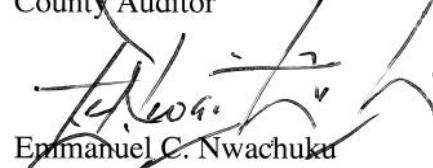
The County Council and County Executive
January 2010
Page -2-

Exhibit A presents the fiscal year 2009 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. 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, 2009

Balance Retained as of June 30, 2008		\$3,258,606
Fiscal Year 2009 Activity		
Agricultural Land Transfer Tax Collections:		
Agricultural Land		89,922
Less:		
Other Adjustments (Refunds)		\$15,958
Remittance to the Comptroller of the Treasury:		
Agricultural Land 2/3 Portion (June 30, 2009)		49,309
Administrative Expenses		<u>24,655</u> (89,922)
Maryland Agricultural Land Preservation		
Foundation (MALPF) Acquisitions:		
Purchase of Easements		(422,791)
Balance Retained as of June 30, 2009		<u>\$2,835,815</u>
Balance Retained Consisted of:		
Fiscal Year Ended:		
June 30, 2005		\$1,502,052 ^{(1),(2)}
June 30, 2006		1,123,964 ⁽²⁾
June 30, 2007		159,207
June 30, 2008		50,592
June 30, 2009		<u>0</u>
Total		<u>\$2,835,815</u>

(1) During the year, \$422,791 was spent on MALPF acquisitions. To acquire these easements, the sum of \$34,002, and \$388,789 from balances retained for FY 2004 and FY 2005, respectively, were used.
(2) The unexpended balances for the fiscal years ended June 30, 2005 and June 30, 2006 for \$1,502,052 and \$1,123,964 respectively were encumbered for future MALPF acquisitions.