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**If you have questions or  
need additional information,  
contact:**

**Washington Suburban  
Sanitary Commission  
Property Assessments Section  
14501 Sweitzer Lane, 11th floor  
Laurel, Maryland 20707  
(301) 206-8032**

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**Washington Suburban  
Sanitary Commission**

*Established in 1918, today WSSC is the 8th largest  
water and wastewater utility in the nation, with a network  
of more than 5,500 miles of fresh water pipeline and  
nearly 5,400 miles of sewer pipeline.*

*Serving 1.8 million residents in Prince George's and  
Montgomery Counties, our drinking water has always  
met or exceeded federal standards.*

**[www.wsscwater.com](http://www.wsscwater.com)**

**301.206.8032**



**Washington Suburban  
Sanitary Commission**

# **Questions Commonly Asked by Prospective & New Homeowners Regarding Front Foot Benefit Charges (FFBC)**





## **JUST WHO OR WHAT IS THE WASHINGTON SUBURBAN SANITARY COMMISSION?**

For over 75 years the Washington Suburban Sanitary Commission (WSSC) has been a valuable member of the communities of Montgomery and Prince George's Counties. We are entrusted by county residents to provide vital water and sewer services including the design and construction of water and sewer lines. The water and sewer lines must accommodate the counties' expanding population by dispensing on-demand, safe and reliable drinking water to over 1,500,000 customers. We are also entrusted to maintain and operate waste water facilities that collect, treat, and safely dispose of sewage into the environment. The WSSC is a public utility (not for profit), committed to providing all services in a competent, professional and financially responsible manner.

## **NOTES**

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charge consisting of a metered charge and a uniform charge for maintenance and interest that a sewer or water authority imposes on all its customers is deductible...” Rev.Rul.79-201, 1979-1 CB97Check with your tax preparer to be sure you can deduct any portion of your FFBC.

## MUST FFBC BE DISCLOSED AT SETTLEMENT?



Here's what Maryland law states: "A contract for the initial sale of improved, residential real property to a member of the public who intends to occupy or rent the property for residential purposes shall disclose the estimated cost, as established by the appropriate water and sewer authority, of any deferred water and sewer charges for which the purchaser may become liable... Violation... of this section entitles the initial purchaser to recover from the seller: (1) Two times the amount of deferred charges the purchaser would be obligated to pay during the 5 years of payment following the sale; (2) No amount greater than actually paid thereafter; and (3) Any deposit monies actually paid by the purchaser that were lost as a result of violation... of this section." Annotated Code of Maryland—Real Property, Section 14-117 (b), (c).

## WHAT ARE FRONT FOOT BENEFIT CHARGES?

Front foot benefit charges (FFBC) are assessed on residential and business properties for the purpose of recovering WSSC's costs to construct water and sewer lines. These lines transport water to the properties or return sewage to our waste water treatment plants. The WSSC is authorized by the State of Maryland to assess FFBC since the availability of public water and sewer service enhances a property's value and often lowers fire insurance rates. The front foot benefit charge relates to the "benefit" the property receives by having accessibility to public water and sewer. Consequently an assessment may be levied even if the property owners do not use the services.

## ARE ALL PROPERTIES ASSESSED FFBC?



A front foot benefit assessment is "generally" levied on all properties abutted and/or served by WSSC water and/or sewer mains. The word "generally" is used in the definition because there are several reasons that a property abutted or served by WSSC water and/or sewer may be exempted or suspended from FFBC. Listed are the more common reasons for FFBC exemptions:

- Property is owned by the state, county or a municipality;
- Property is owned and used for public purposes by a volunteer fire department;
- The water and sewer mains were constructed by a private developer;
- Property is too small for residential or commercial improvements;
- Property is designed as homeowners' association common ground area.



### WHEN ARE FRONT FOOT BENEFIT CHARGES ASSESSED?

Front Foot Benefit Charges are generally assessed the year following WSSC's construction of new water and/or sewer lines. The assessment year begins January 1 and ends December 31. Although, not legally considered a "tax", the assessment does appear on your annual county tax bill. The assessment remains on the tax bill for the life of the bond used by WSSC to finance construction of new water and sewer lines. The annual amount is constant and the assessment ends when the bond is retired (currently 23 years), unless changes have occurred in the property's use or classification or additional lines have been constructed which affect the property.

and the number of years remaining on your assessment. If you are interested in redeeming your FFBC assessment, WSSC can provide a Disclosure Notice which includes a "Pay in Full Amount" for your property. The "pay in full amount" must be paid by May 31 of any given year, to be removed from the year's tax bill.

### SINCE THE FFBC CHARGE APPEARS ON MY TAX BILL, IS IT TAX DEDUCTIBLE?

Here's what Federal law states: "Front foot benefit charges assessed by the Washington Suburban Sanitary Commission



against property in jurisdictions adjacent to the District of Columbia for water main and sewer improvements are assessed against local benefits of a kind tending to increase the value of the property assessed and are not deductible as taxes..." Rev. Rul.75-455,1975-2 CB 68

"The portion of a front foot benefit charge assessed against property benefited by construction of a water system, and added to the tax payer's real property tax bill that is properly allocated to interest and maintenance charges is deductible as a tax...No portion of a flat per unit charge or a two-part

of a new subdivision development. However, the law requires that the initial seller of an improved property provide the purchaser an estimate of a property's front foot benefit charges.

### **WHAT IF I HAVE A QUESTION OR CONCERN ABOUT MY PROPERTY'S ASSESSMENT?**

Simply give our Property Assessments' staff a call at (301) 206-8032, any week day from 8 a.m. to 5 p.m. The staff should be able to satisfactorily handle your questions. If not, and you are calling in response to a notice you have received on your actual new assessment, you can appeal the new assessment. A WSSC Commissioner will provide you an informal hearing and then a written decision on your concern. If you remain dissatisfied, you can request a formal hearing with WSSC's full Commission. You can be represented by an attorney at the informal and formal hearings should you desire.

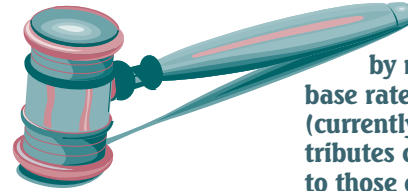
### **CAN I PAY THE CHARGES IN FULL OR MUST I PAY THEM ANNUALLY?**

Unlike taxes, you can pay off or redeem charges early to avoid paying annual interest charges. Redemptions are calculated using present value (dollar worth factor) tables, for interest rate associated with your FFBC



### **ARE THERE DIFFERENT ASSESSMENT RATES AND HOW ARE THEY DETERMINED?**

The cost of constructing water and sewer mains is determined annually. A uniform charge per foot (base rate), one for water and one for sewer, is calculated to recover all costs, including financing expenses. The base rate is used for properties classified as residential, small acreage and agricultural.



Business rates are determined by multiplying the base rate times a factor (currently 1.33) which distributes costs appropriately to those classes. The WSSC publishes the rates, conducts a Public Hearing and approves the schedule of front foot benefit charges for all new construction that has occurred the preceding year.

### **HOW ARE THE RATES USED TO DETERMINE MY ASSESSMENT?**

The water and/or sewer rates are multiplied by your property's "assessable front footage."

### **HOW IS MY PROPERTY'S "ASSESSABLE FRONT FOOTAGE" DETERMINED?**

It depends on your property's classification. If, like many customers, your property is classified as

subdivision residential, your assessable front footage is determined by its shape. If your lot is rectangular or nearly so, its front footage is its "street frontage," the length of your property's boundary that faces or borders your street. If your subdivision property is irregularly shaped, its assessable front footage usually equals the average street frontage of regularly shaped properties in your neighborhood. If your property is a townhouse, your assessable front footage is always 50 feet. If your property is a condominium, your front footage is 26 feet.

## HOW MUCH OF AN ASSESSMENT CAN I EXPECT TO PAY EACH YEAR?

How much you will pay depends on your property's assessable front footage and the year's assessment rates. Based on recent years' rates for both water and sewer assessments, a condominium owner would pay approximately \$175 annually; a townhouse owner would pay approximately \$350; and a residential subdivision lot with 80 feet of assessable front footage, would pay approximately \$600. A property with a larger assessable front footage would pay more



and a property with a smaller assessable front footage would pay less.

## WHAT IF MY HOUSE IS NOW SERVED BY A WELL OR SEPTIC SYSTEM?

Good news! If it is and your property is classified as subdivision residential or small acreage, you will not pay any assessment until you connect to WSSC's system. After connection you will pay at the assessment rate(s) and terms in effect when WSSC built the line(s), not when you connected.

## ARE CUSTOMERS NOTIFIED IN ADVANCE OF THEIR ASSESSMENTS?

Yes. In fact before the new line is even constructed, all affected property owners are informed of estimated front foot benefits charges. Also in the year after the line is constructed, the same property owners are informed of their actual assessments. The written notice includes information regarding the property's classification, footage assessed, applicable rate(s), and the amount of the proposed assessment. All notices are mailed to the current property owner. Sometimes, the owner is the builder, for example: when the property is part

