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By: **Washington County Delegation**  
Introduced and read first time: February 9, 2006  
Assigned to: Ways and Means

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 22, 2006

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Washington County - Property Tax - ~~Homestead Tax Credit Percentage~~**  
3 **Credit**

4 FOR the purpose of ~~altering the maximum homestead property tax credit percentage~~  
5 ~~for the county property tax in Washington County; providing for the application~~  
6 ~~of this Act; authorizing the governing body of Washington County to grant, by~~  
7 ~~law, a credit for a certain taxable year against the county property tax imposed~~  
8 ~~on certain dwellings; authorizing the governing body of Washington County to~~  
9 ~~provide, by law, for the maximum amount of assessed value of a dwelling as to~~  
10 ~~which the property tax credit shall apply and any other provision necessary to~~  
11 ~~administer the property tax credit; and generally relating to the homestead a~~  
12 ~~property tax credit percentage for the county property tax in Washington~~  
13 ~~County.~~

14 ~~BY repealing and reenacting, with amendments,~~  
15 ~~Article Tax - Property~~  
16 ~~Section 9-105(e)(5)~~  
17 ~~Annotated Code of Maryland~~  
18 ~~(2001 Replacement Volume and 2005 Supplement)~~

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

~~Article - Tax - Property~~

1  
2 ~~9-105.~~

3 ~~(e) (5) (f) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS~~  
4 ~~PARAGRAPH, THE homestead credit percentage for any county or municipal~~  
5 ~~corporation property tax:~~

6 ~~[(i)] 1. may not be less than 100% or exceed 110% for any taxable~~  
7 ~~year; and~~

8 ~~[(ii)] 2. shall be expressed in increments of 1 percentage point.~~

9 ~~(H) IN WASHINGTON COUNTY, THE HOMESTEAD CREDIT~~  
10 ~~PERCENTAGE FOR THE COUNTY PROPERTY TAX MAY NOT BE LESS THAN 100% OR~~  
11 ~~EXCEED 105% FOR ANY TAXABLE YEAR.~~

12 (a) In this section, "dwelling" has the meaning stated in § 9-105 of the Tax -  
13 Property Article.

14 (b) For the taxable year that begins July 1, 2006, the governing body of  
15 Washington County may grant, by law, a credit against the county property tax  
16 imposed on a dwelling as provided in this section.

17 (c) If the governing body of Washington County grants the property tax credit  
18 authorized under this section, the credit shall equal the county property tax imposed  
19 on the lesser of:

20 (1) the assessed value of the dwelling; or

21 (2) the amount that the governing body of Washington County sets by  
22 law.

23 (d) (1) Except as provided in paragraph (2) of this subsection:

24 (i) the credits allowed under §§ 9-104 and 9-105 of the Tax -  
25 Property Article shall be disregarded for purposes of calculating the credit authorized  
26 under this section; and

27 (ii) the credit authorized under this section shall be disregarded for  
28 purposes of calculating the credits allowed under §§ 9-104 and 9-105 of the Tax -  
29 Property Article.

30 (2) The sum of the credit allowed under this section and the amount of  
31 the credit allowed with respect to the county property tax under § 9-104 or § 9-105 of  
32 the Tax - Property Article may not exceed the total county property tax otherwise  
33 imposed on the dwelling.

34 (e) The governing body of Washington County may provide, by law, for:

1           (1)     the maximum amount of assessed value of a dwelling as to which the  
2 credit authorized under this section shall apply; and

3           (2)     any other provision necessary to administer the credit authorized  
4 under this section.

5       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 ~~October June~~ 1, 2006, ~~and shall be applicable to all taxable years beginning after~~  
7 ~~June 30, 2007.~~