

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 226

(Senator Reilly)

Budget and Taxation

Ways and Means

Anne Arundel County - Property Tax Credit - Blind Individuals and Surviving Spouses

This bill authorizes Anne Arundel County and a municipality in the county to grant, by law, a property tax credit against the county or municipal property tax imposed on \$15,000 of the assessment of a dwelling house owned by a specified blind individual or a specified surviving spouse. The bill prohibits a person from receiving this property tax credit if the person also receives a specified property tax credit for disabled veterans and surviving spouses. Anne Arundel County and a municipality in the county may provide, by law, for regulations and procedures and uniform processing of requests for the property tax credit and any other provision necessary to administer the tax credit.

The bill takes effect June 1, 2015, and applies to fiscal years beginning after June 30, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Anne Arundel County property tax revenues may decrease by \$21,500 beginning in FY 2016, to the extent the property tax credit is granted. City of Annapolis property tax revenues may decrease by \$800 beginning in FY 2016, to the extent the property tax credit is granted. Local expenditures are not affected.

Small Business Effect: None.

Analysis

Bill Summary: A blind individual is defined as an individual who has a permanent impairment of both eyes that causes central visual acuity, with corrective glasses, of 20/200 or less in the better eye; or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted so that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye.

A surviving spouse is the surviving spouse of a blind individual, if the surviving spouse has not remarried.

A dwelling house is defined as real property that (1) is the legal residence of a blind individual or a surviving spouse; (2) is occupied by no more than two families; and (3) includes the lot or curtilage, and structures necessary to use the real property as a residence.

Current Law: Dwelling houses owned by specified blind individuals or their surviving spouses are provided a State and local property tax exemption of \$15,000 from the total assessed value.

Local Fiscal Effect: Anne Arundel County property tax revenues may decrease by approximately \$21,500 and the City of Annapolis property tax revenues may decrease by approximately \$800 beginning in fiscal 2016 to the extent the property tax credit is granted. The estimate is based on the following:

- The State Department of Assessments and Taxation indicates that 155 real property tax accounts in Anne Arundel County currently receive the property tax exemption for blind individuals or surviving spouses of blind individuals (8 of these accounts are located in the City of Annapolis).
- The Anne Arundel County real property tax rate is \$0.943 per \$100 of assessment (\$0.564 within the City of Annapolis).
- The City of Annapolis real property tax rate is \$0.649 per \$100 of assessment.
- For fiscal 2015, the average residential assessment in Anne Arundel County, after the Homestead Property Tax Credit, is \$278,313.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Department of Assessments and Taxation, Anne Arundel County, City of Annapolis, Department of Legislative Services

Fiscal Note History: First Reader - February 9, 2015
min/hlb

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