

# HOUSE BILL 404

Q1

3lr1537

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By: **Delegates Feldmark, Ebersole, Hill, D. Jones, Lehman, Ruth, Shetty, and Smith**

Introduced and read first time: January 27, 2023

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Statewide Optional Credit for Homeowners Who Have Suffered**  
3 **a Hardship**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the  
5 governing body of a county or municipal corporation to grant, by law, a property tax  
6 credit against the county or municipal corporation property tax imposed on a  
7 dwelling that is owned by a homeowner whose combined gross income exceeds a  
8 certain amount if the homeowner demonstrates certain criteria, including that the  
9 homeowner suffered a certain hardship; repealing as redundant a provision of law  
10 authorizing the same property tax credit in Baltimore County; and generally relating  
11 to a statewide optional property tax credit for homeowners who have suffered a  
12 hardship.

13 BY repealing

14 Article – Tax – Property  
15 Section 9–305(h)  
16 Annotated Code of Maryland  
17 (2019 Replacement Volume and 2022 Supplement)

18 BY renumbering

19 Article – Tax – Property  
20 Section 9–305(i)  
21 to be Section 9–305(h)  
22 Annotated Code of Maryland  
23 (2019 Replacement Volume and 2022 Supplement)

24 BY adding to

25 Article – Tax – Property  
26 Section 9–268  
27 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2019 Replacement Volume and 2022 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 9–305(h) of Article – Tax – Property of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 9–305(i) of Article – Tax – Property of the Annotated Code of Maryland be renumbered to be Section(s) 9–305(h).

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article – Tax – Property**

**9–268.**

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COMBINED INCOME” HAS THE MEANING STATED IN § 9–104 OF THIS TITLE.

(3) “DWELLING” HAS THE MEANING STATED IN § 9–104 OF THIS TITLE.

(4) “HARDSHIP” MEANS:

(I) AN ILLNESS OR ACCIDENT–RELATED INJURY OF A HOMEOWNER OR A MEMBER OF THE HOMEOWNER’S IMMEDIATE FAMILY; OR

(II) A PROPERTY CASUALTY EVENT AT THE HOMEOWNER’S DWELLING.

(5) “HOMEOWNER” HAS THE MEANING STATED IN § 9–104 OF THIS TITLE.

(B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON A DWELLING THAT IS OWNED BY A HOMEOWNER WHOSE COMBINED INCOME EXCEEDS \$60,000 IF THE HOMEOWNER DEMONSTRATES THAT:

(1) THE HOMEOWNER WAS DENIED THE PROPERTY TAX CREDIT UNDER § 9–104 OF THIS TITLE FOR HAVING A COMBINED INCOME THAT EXCEEDS

1 **\$60,000;**

2 (2) THE HOMEOWNER SUFFERED A HARDSHIP IN THE CALENDAR  
3 YEAR THAT PRECEDES THE YEAR IN WHICH THE HOMEOWNER APPLIES FOR THE  
4 CREDIT;

5 (3) THE HOMEOWNER PAID OR INCURRED EXPENSES RELATING TO  
6 THE HARDSHIP THAT RESULTED IN SIGNIFICANT FINANCIAL DISTRESS FOR THE  
7 HOMEOWNER; AND

8 (4) THE HOMEOWNER'S COMBINED INCOME WOULD NOT HAVE  
9 EXCEEDED \$60,000 IF NOT FOR EXPENSES RELATED TO THE HARDSHIP.

10 (C) THE HOMEOWNER SHALL INCLUDE, IN THE FORM REQUIRED BY THE  
11 MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF THE  
12 COUNTY OR MUNICIPAL CORPORATION, AN ITEMIZED LIST OF ALL SOURCES OF  
13 INCOME AND EXPENSES OF THE HOMEOWNER, INCLUDING EXPENSES RELATED TO  
14 THE HARDSHIP.

15 (D) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
16 GOVERNING BODY OF THE COUNTY OR MUNICIPAL CORPORATION MAY ESTABLISH,  
17 BY LAW:

18 (1) THE AMOUNT AND DURATION OF THE TAX CREDIT;

19 (2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT;

20 (3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND  
21 UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

22 (4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX  
23 CREDIT.

24 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
25 1, 2023, and shall be applicable to all taxable years beginning after June 30, 2023.