



**DEPARTMENT OF
ASSESSMENTS AND TAXATION**

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Michael L. Higgs, Jr., Director

DATE: February 2, 2021

BILL NUMBER: HB0570

COMMITTEE: Ways and Means

BILL TITLE: Homestead Property Tax Credit Program – Notice of Eligibility – Lead Registry and Code Compliance

SDAT POSITION: Letter of Information

The State Department of Assessments and Taxation (SDAT) offers the following information for HB0570, a bill that would require SDAT to include information regarding the lead registry and code compliance with specified notifications about the Homestead Property Tax Credit. The required information must state that if the property is used as residential rental property (1) the homeowner must register any property constructed before 1978 with the Maryland Department of the Environment (MDE) in accordance with applicable lead in housing standards and (2) the property must comply with any State or local building and housing codes.

The Department appreciates the intent of the proposed legislation. SDAT advises that the Homestead Property Tax Credit is not applicable to residential rental property owners. Additionally, it is unlikely the specified notifications required in HB0570 will notify residential rental property owners, which is the intent of the legislation. The Homestead Tax Credit application is designed *only* for primary homeowners who reside in the dwelling for at least six months and one day of the year. Homestead Tax Credit applications are only mailed to homeowners who have recently purchased a home and do not have a Homestead Tax Credit application on file.

For these reasons, SDAT would like the committee to strongly consider the information presented as the committee deliberates HB0570.

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