



Senate Bill 639

Property Tax Exemption - Disabled Veterans - Service Connected Disability

MACo Position: **OPPOSE**

To: Budget and Taxation Committee

Date: February 14, 2024

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **OPPOSES** SB 639.

By significantly expanding an existing property tax exemption for disabled veterans and surviving spouses, this bill would have a sweeping, adverse effect on local revenues sorely needed to fund schools, housing, public health, public safety, roadway maintenance, and other essential public services.

Under current law, for a property tax exemption to be granted to a disabled veteran or surviving spouse, the disabled veteran must have a 100% service-connected disability. By expanding eligibility to include disabled veterans with at least an 80% service disability, counties would lose at least \$13 million of their most reliable revenue source per annum.

In general, MACo stands for local self-determination. Counties, led by their elected leaders who are directly accountable within the community, are in the best position to make decisions on local affairs – ranging from land use to budget priorities.

Counties welcome the opportunity to work with state policymakers to develop flexible and optional tools to implement comprehensive or targeted tax incentives but resist state-mandated changes that preclude local input.

Accordingly, MACo urges an **UNFAVORABLE** report on SB 639.