



Testimony to the Senate Budget and Taxation Committee
SB 343: Renters' Property Tax Relief and Homeowners' Property Tax Credit Programs –
Gross Income and Assessed Value Limitations – Alterations
Position: Favorable

January 19, 2024

Sen. Guy Guzzone, Chair
3 West Miller Senate Office Building
Annapolis, Maryland 21401
Cc: Members, Budget and Taxation Committee

Honorable Chair Guzzone and Members of the Committee:

As organizations whose work is rooted in supporting older adults, we wanted to share our support on this legislation.

The Maryland Homeowners' and Renters' Tax Credit Programs are incredibly beneficial to low-income families and older adults, but are currently limited in efficacy due to outdated and overly limiting eligibility cutoffs. As the cost of living continues to increase, we must amend eligibility requirements to ensure that more people in need are able to benefit from this program.

We the undersigned organizations are writing to ask you to support SB343, which would increase the combined gross income limits used to determine eligibility for tax credits for renters and homeowners in the state of Maryland, as well as raise the assessed property rate for homeowners to be eligible.

In 2020, Maryland had the 8th highest number of renters who were cost-burdened in the country, with 49% of Marylanders spending more than 30% of their income on housing, while many Marylanders are severely cost-burdened paying more than 50% for a rental. SB343 would increase the number of Maryland residents who are eligible for the renters tax credit program of up to \$1000 a year, decreasing this number of cost burdened residents and providing a stepping stool out of poverty for many.



SB343 will update Maryland's current definition of gross income to exclude public assistance received through cash grants, increasing the number of individuals eligible for the tax credit. When passed, SB343 will allow low-income older adults to receive much needed assistance with rent, homeownership, and living expenses. In addition to this change, eligibility for applicants to receive the tax credit will increase to a maximum income of \$70,000 as compared to its current \$60,000.

For homeowners, this bill would increase the eligible assessed property value to \$450,000, versus its current \$300,000. This is a much needed increase, considering this current value has not changed in 30 years. In that time, the median price of a house in Maryland has increased from \$115,000 in 1990 to over \$400,000 in 2023. In Montgomery County, where over 15% of residents are adults over 65, the median home tax assessment for 2023 was over \$400,000, which far exceeds the current eligibility cutoff of \$300,000.

Older adults are the fastest growing cohort in Maryland, and we must ensure that our legislation continues to provide the resources they need in order to thrive.

For these reasons, we support SB343 and ask for a favorable report.

Sincerely,
Zoe Gallagher, Representing Economic Action Maryland

John Kern, Director of Programs, The SOS Fund



Nneka Nmamdi, COO, Flight Blight Bmore

Sarah Miicke, Co-Chair, Maryland Senior Citizen Action Network

Betsy D. Simon, Founder/CEO, BDS Healthy Aging Networks, Inc.

Susan Francis, Executive Director, The Maryland Volunteer Lawyers Service