

SENATE BILL 550

Unofficial Copy
Q1
SB 151/95 - B&T

1998 Regular Session
8r1991

By: **Senator Fry**
Introduced and read first time: February 6, 1998
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Assessment Freeze for Elderly Homeowners**

3 FOR the purpose of prohibiting an increase in the property tax assessment of certain
4 owner-occupied residential real property owned by an individual who is at least
5 a certain age, whose household gross income does not exceed a certain amount,
6 and whose household net worth does not exceed a certain amount, except under
7 certain circumstances; defining certain terms; providing for application of this
8 Act; and generally relating to a prohibition on increases in the property tax
9 assessment of certain owner-occupied residential real property owned by an
10 individual who is at least a certain age.

11 BY adding to
12 Article - Tax - Property
13 Section 8-241
14 Annotated Code of Maryland
15 (1994 Replacement Volume and 1997 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Tax - Property**

19 8-241.

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

22 (2) "DWELLING" HAS THE MEANING STATED IN § 9-105(A) OF THIS
23 ARTICLE.

24 (3) "GROSS INCOME" HAS THE MEANING STATED IN § 9-104(A) OF THIS
25 ARTICLE.

26 (4) "HOMEOWNER" HAS THE MEANING STATED IN § 9-105(A) OF THIS
27 ARTICLE.

1 (5) "NET WORTH" HAS THE MEANING STATED IN § 9-104(A) OF THIS
2 ARTICLE.

3 (6) "PREVIOUS ASSESSMENT" MEANS:

4 (I) FOR THE TAXABLE YEAR BEGINNING JULY 1, 1999, THE
5 TAXABLE ASSESSMENT OF PROPERTY FOR THE TAXABLE YEAR BEGINNING JULY 1,
6 1998; AND

7 (II) FOR EACH TAXABLE YEAR BEGINNING ON OR AFTER JULY 1,
8 2000, THE ASSESSMENT OF PROPERTY FOR THE PREVIOUS TAXABLE YEAR AS
9 LIMITED UNDER THIS SECTION.

10 (7) "TAXABLE ASSESSMENT" HAS THE MEANING STATED IN § 9-105(A) OF
11 THIS ARTICLE.

12 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A DWELLING
13 MAY NOT BE ASSESSED AT AN AMOUNT GREATER THAN THE PREVIOUS ASSESSMENT
14 OF THE DWELLING IF:

15 (1) A HOMEOWNER OF THE DWELLING WHO RESIDES IN THE DWELLING
16 WILL BE AT LEAST 68 YEARS OLD ON THE FIRST DAY OF A TAXABLE YEAR;

17 (2) THE HOMEOWNER'S HOUSEHOLD GROSS INCOME DOES NOT EXCEED
18 \$60,000 FOR THE PRECEDING CALENDAR YEAR; AND

19 (3) THE HOMEOWNER'S HOUSEHOLD NET WORTH DOES NOT EXCEED
20 \$200,000 AS OF DECEMBER 31 OF THE PRECEDING CALENDAR YEAR, EXCLUDING THE
21 VALUE OF THE PRINCIPAL RESIDENCE OF THE HOMEOWNER.

22 (C) SUBSECTION (B) OF THIS SECTION DOES NOT APPLY TO A DWELLING FOR
23 A TAXABLE YEAR IF, DURING THE PREVIOUS CALENDAR YEAR:

24 (1) A HOMEOWNER WHO IS AT LEAST 68 YEARS OLD FAILED TO OCCUPY
25 AND MAINTAIN THE DWELLING AS THE HOMEOWNER'S PRINCIPAL RESIDENCE,
26 UNLESS:

27 (I) THE FAILURE WAS BECAUSE OF ILLNESS OR NEED OF SPECIAL
28 CARE; AND

29 (II) THE DWELLING WAS NOT LEASED TO ANOTHER OCCUPANT BY
30 THE HOMEOWNER;

31 (2) THERE WAS A TRANSFER OF OWNERSHIP OF THE DWELLING,
32 INCLUDING:

33 (I) ANY TRANSFER TO NEW OWNERSHIP, WHETHER OR NOT FOR
34 CONSIDERATION; OR

35 (II) ANY CHANGE IN OWNERSHIP AS A RESULT OF DEATH OF A
36 HOMEOWNER, UNLESS AN OWNER AFTER THE DEATH:

