

ENROLLED BILL

-- Budget and Taxation/Ways and Means --

Introduced by ~~Senator Middleton~~ **Senators Middleton and Miller**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Local Supplement to Property Tax - Homeowners Property Tax Credit -**
3 **Computation and Local Supplement**

4 FOR the purpose of altering the definition of "total real property tax" so as to alter the
5 application of a certain limitation on the assessed value of a dwelling used for
6 calculating a certain homeowners' property tax credit; specifying certain
7 additional eligibility criteria that the Mayor and City Council of Baltimore City
8 or the governing body of a county may provide by law for purposes of a local
9 supplement to a certain homeowners property tax credit; authorizing the Mayor
10 and City Council of Baltimore City or the governing body of a county to alter a
11 certain limitation on a homeowner's net worth for eligibility for the credit for
12 purposes of a local supplement; providing for the application of this Act; and
13 generally relating to ~~authority for the Mayor and City Council of Baltimore City~~
14 ~~or the governing body of a county to grant a local supplement to a certain~~ the
15 homeowners property tax credit.

16 BY repealing and reenacting, with amendments,

1 Article - Tax - Property
2 Section 9-104(a)(13) and 9-215
3 Annotated Code of Maryland
4 (2001 Replacement Volume and 2004 Supplement)

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

7 **Article - Tax - Property**

8 9-104.

9 (a) (13) "Total real property tax" means the product of the sum of all property
10 tax rates on real property, including special district tax rates, for the taxable year on a
11 dwelling, multiplied by the lesser of:

12 (I) \$150,000; OR

13 (II) the assessed value of the dwelling [or \$150,000; and then]
14 reduced by [any] THE AMOUNT OF ANY ASSESSMENT ON WHICH A property tax credit
15 IS granted under § 9-105 of this subtitle.

16 9-215.

17 (a) The Mayor and City Council of Baltimore City or the governing body of a
18 county may grant, by law, a local supplement to the Homeowners Property Tax Credit
19 Program provided under § 9-104 of this title.

20 (b) The county or Baltimore City may not obtain reimbursement under §
21 9-104(q) of this title for the amount of the local supplement authorized under this
22 section.

23 (c) The county shall notify the Department of the enactment of the local
24 supplement and any change in the local supplement in accordance with any
25 guidelines specified by the Department.

26 (d) (1) The Department is responsible for the administrative duties that
27 relate to the application and determination of eligibility for a property tax credit
28 under this section.

29 (2) The county shall reimburse the Department for the reasonable cost of
30 administering the Tax Credit Program under this section.

31 (e) (1) Except as provided in paragraph (2) of this subsection, the local
32 supplement authorized in accordance with subsection (a) of this section shall be
33 subject to the provisions of the State Homeowners Property Tax Credit Program
34 provided under § 9-104 of this title.

35 (2) The Mayor and City Council of Baltimore City or the governing body
36 of a county:

1 (i) may alter, by law, the following provisions for purposes of a local
2 supplement granted under this section:

3 1. the limitation on the assessed value of a dwelling taken
4 into account in determining total real property tax under § 9-104(a)(13) of this title;
5 [and]

6 2. the percentages and combined income levels specified
7 under § 9-104(g) of this title; and

8 3. THE LIMITATION ON COMBINED NET WORTH OF THE
9 HOMEOWNER UNDER § 9-104(I) OF THIS TITLE; AND

10 (ii) may provide, by law, for limitations on eligibility for a local
11 supplement granted under this section in addition to the requirements for eligibility
12 under § 9-104 of this title.

13 (3) THE ADDITIONAL ELIGIBILITY CRITERIA PROVIDED UNDER
14 PARAGRAPH (2)(II) OF THIS SUBSECTION MAY INCLUDE:

15 (I) CRITERIA LIMITING ELIGIBILITY FOR A LOCAL SUPPLEMENT
16 GRANTED UNDER THIS SECTION TO HOMEOWNERS:

17 1. WHO HAVE REACHED A CERTAIN AGE;

18 2. WHO HAVE RESIDED IN THEIR DWELLINGS FOR MORE
19 THAN A CERTAIN NUMBER OF YEARS; OR

20 3. WHOSE ASSESSMENTS HAVE INCREASED MORE THAN A
21 CERTAIN PERCENTAGE OVER A CERTAIN PERIOD OF TIME;

22 (II) ANY COMBINATION OF THE CRITERIA SPECIFIED IN ITEM (I) OF
23 THIS PARAGRAPH; AND

24 (III) ANY ADDITIONAL CRITERIA FOR ELIGIBILITY THAT THE MAYOR
25 AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY
26 DETERMINE TO BE NECESSARY OR APPROPRIATE.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 ~~July 1, 2005~~ June 1, 2005, and shall be applicable to all taxable years beginning after
29 June 30, 2005.

