
By: **Prince George's County Delegation**

Introduced and read first time: February 9, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County - Homestead Property Tax Credit Percentage -**
 3 **Emergency Police Hiring Fund**
 4 **PG 409-06**

5 FOR the purpose of altering the minimum homestead property tax credit percentage
 6 that may be set in Prince George's County under certain circumstances;
 7 requiring the State Department of Assessments and Taxation to certify certain
 8 information to the governing body of Prince George's County; requiring the
 9 governing body of Prince George's County to distribute certain property tax
 10 revenue to a special fund to be used only for certain signing bonuses for certain
 11 Prince George's County police officers under certain circumstances; requiring
 12 certain police officers who receive a certain signing bonus to repay the county a
 13 certain amount under certain circumstances; and generally relating to the
 14 homestead property tax credit percentage in Prince George's County and the use
 15 of certain Prince George's County property tax revenue for certain signing
 16 bonuses for new police officers.

17 BY repealing and reenacting, with amendments,
 18 Article - Tax - Property
 19 Section 9-105(e)
 20 Annotated Code of Maryland
 21 (2001 Replacement Volume and 2005 Supplement)

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

24 **Article - Tax - Property**

25 9-105.

26 (e) (1) For each taxable year, the property tax credit under this section is
 27 calculated by:

1 (i) multiplying the prior year's taxable assessment by the
2 homestead credit percentage as provided under paragraph (2) of this subsection;

3 (ii) subtracting that amount from the current year's assessment;
4 and

5 (iii) if the difference is a positive number, multiplying the difference
6 by the applicable State, county, or municipal corporation property tax rate for the
7 current year.

8 (2) For each taxable year, the homestead credit percentage under
9 paragraph (1)(i) of this subsection is:

10 (i) for the State property tax, 110%;

11 (ii) for the county property tax:

12 1. the homestead credit percentage established by the county
13 under paragraph (3) of this subsection; or

14 2. if the county has not set a percentage for the taxable year
15 under paragraph (3) of this subsection or has not notified the Department as required
16 under paragraph (6) of this subsection, the homestead credit percentage in effect for
17 the county for the preceding taxable year; and

18 (iii) for the municipal corporation property tax:

19 1. the homestead credit percentage established by the
20 municipal corporation under paragraph (4) of this subsection; or

21 2. if the municipal corporation has not set a percentage
22 under paragraph (4) of this subsection or has not notified the Department as required
23 under paragraph (7) of this subsection, the homestead credit percentage for the
24 taxable year for the county in which the property is located.

25 (3) Subject to paragraph (5) of this subsection, the Mayor and City
26 Council of Baltimore City and the governing body of a county on or before November
27 15 of any year shall set, by law, the homestead credit percentage for the taxable year
28 beginning the following July 1.

29 (4) Subject to paragraph (5) of this subsection, on or before November 25
30 of any year, the governing body of a municipal corporation may set or alter, by law, a
31 homestead credit percentage for the taxable year beginning the following July 1 and
32 any subsequent taxable year.

33 (5) (I) [The] EXCEPT AS PROVIDED IN PARAGRAPH (8) OF THIS
34 SUBSECTION, THE homestead credit percentage for any county or municipal
35 corporation property tax:

1 [(i)] 1. may not be less than 100% or exceed 110% for any taxable
2 year; and

3 [(ii)] 2. shall be expressed in increments of 1 percentage point.

4 (II) 1. IN PRINCE GEORGE'S COUNTY, SUBJECT TO
5 SUBSUBPARAGRAPH 5 OF THIS SUBPARAGRAPH, THE HOMESTEAD CREDIT
6 PERCENTAGE MAY NOT BE LESS THAN 104% FOR ANY TAXABLE YEAR.

7 2. ON OR BEFORE MARCH 1 OF EACH YEAR FOR THE
8 TAXABLE YEAR BEGINNING THE FOLLOWING JULY 1, THE STATE DEPARTMENT OF
9 ASSESSMENTS AND TAXATION SHALL CERTIFY TO THE GOVERNING BODY OF PRINCE
10 GEORGE'S COUNTY:

11 A. THE COUNTY ASSESSABLE BASE RESULTING FROM THE
12 APPLICATION OF A HOMESTEAD CREDIT PERCENTAGE OF 104% IN PRINCE GEORGE'S
13 COUNTY; AND

14 B. THE COUNTY ASSESSABLE BASE RESULTING FROM THE
15 APPLICATION OF A HOMESTEAD CREDIT PERCENTAGE OF 103% IN PRINCE GEORGE'S
16 COUNTY.

17 3. FOR EACH FISCAL YEAR, FROM THE PROPERTY TAX
18 REVENUE, THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY SHALL DISTRIBUTE
19 TO A SPECIAL FUND, TO BE USED ONLY AS PROVIDED IN SUBSUBPARAGAPH 4 OF
20 THIS SUBPARAGRAPH, AN AMOUNT EQUAL TO THE COUNTY PROPERTY TAX RATE
21 FOR THE FISCAL YEAR APPLIED TO THE DIFFERENCE BETWEEN THE TWO AMOUNTS
22 CERTIFIED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION FOR THAT
23 FISCAL YEAR UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH.

24 4. SUBJECT TO SUBSUBPARAGRAPH 5 OF THIS
25 SUBPARAGRAPH, THE SPECIAL FUND ESTABLISHED UNDER THIS SUBPARAGRAPH
26 MAY BE USED ONLY TO PAY FOR SIGNING BONUSES OF UP TO \$10,000 FOR NEW
27 PRINCE GEORGE'S COUNTY POLICE OFFICERS ON GRADUATION FROM THE PRINCE
28 GEORGE'S COUNTY POLICE ACADEMY.

29 5. IF A POLICE OFFICER WHO RECEIVES A SIGNING BONUS
30 UNDER THIS SUBPARAGRAPH WORKS FOR THE PRINCE GEORGE'S COUNTY POLICE
31 DEPARTMENT FOR FEWER THAN 5 YEARS, THE POLICE OFFICER SHALL REPAY THE
32 COUNTY A PRORATED AMOUNT OF THE SIGNING BONUS BASED ON THE NUMBER OF
33 YEARS OF SERVICE.

34 (6) The Mayor and City Council of Baltimore City and the governing
35 body of a county shall notify the Department of any action taken under paragraph (3)
36 of this subsection on or before November 15 preceding the taxable year for which the
37 action is taken.

38 (7) A municipal corporation shall notify the State Department of any
39 action taken under paragraph (4) of this subsection on or before November 25
40 preceding the taxable year for which the action is taken.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2006.