
By: **Senators Garagiola, Astle, Della, Dyson, Forehand, Giannetti, Greenip,
Haines, Jimeno, Klausmeier, Mooney, Ruben, and Stone**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Property Tax Credit - Dwellings**

3 FOR the purpose of allowing a credit for a certain taxable year against the State
4 property tax imposed on certain dwellings; providing for the calculation of the
5 credit; and generally relating to a credit against the State property tax for
6 certain dwellings for a certain taxable year.

7 BY adding to
8 Article - Tax - Property
9 Section 9-110
10 Annotated Code of Maryland
11 (2001 Replacement Volume and 2005 Supplement)

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

14 **Article - Tax - Property**

15 9-110.

16 (A) IN THIS SECTION, "DWELLING" HAS THE MEANING STATED IN § 9-105 OF
17 THIS SUBTITLE.

18 (B) (1) FOR THE TAXABLE YEAR THAT BEGINS JULY 1, 2006, A CREDIT IS
19 ALLOWED AS PROVIDED UNDER THIS SECTION AGAINST THE STATE PROPERTY TAX
20 IMPOSED ON A DWELLING.

21 (2) IF A DWELLING IS NOT USED PRIMARILY FOR RESIDENTIAL
22 PURPOSES, FOR PURPOSES OF THE CREDIT ALLOWED UNDER THIS SECTION THE
23 DEPARTMENT SHALL APPORTION THE TOTAL PROPERTY ASSESSMENT BETWEEN
24 THE PART OF THE DWELLING THAT IS USED FOR RESIDENTIAL PURPOSES AND THE
25 PART OF THE DWELLING THAT IS NOT USED FOR RESIDENTIAL PURPOSES.

26 (C) THE CREDIT ALLOWED UNDER THIS SECTION EQUALS THE STATE
27 PROPERTY TAX IMPOSED ON THE LESSER OF:

1 (1) THE ASSESSED VALUE OF THE DWELLING; OR

2 (2) \$50,000.

3 (D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION:

4 (I) THE CREDITS ALLOWED UNDER §§ 9-104 AND 9-105 OF THIS
5 SUBTITLE SHALL BE DISREGARDED FOR PURPOSES OF CALCULATING THE CREDIT
6 ALLOWED UNDER THIS SECTION; AND

7 (II) THE CREDIT ALLOWED UNDER THIS SECTION SHALL BE
8 DISREGARDED FOR PURPOSES OF CALCULATING THE CREDITS ALLOWED UNDER §§
9 9-104 AND 9-105 OF THIS SUBTITLE.

10 (2) THE SUM OF THE CREDIT ALLOWED UNDER THIS SECTION AND THE
11 AMOUNT OF THE CREDIT ALLOWED WITH RESPECT TO THE STATE PROPERTY TAX
12 UNDER § 9-104 OR § 9-105 OF THIS SUBTITLE MAY NOT EXCEED THE TOTAL STATE
13 PROPERTY TAX OTHERWISE IMPOSED ON THE DWELLING.

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