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By: **Senator Forehand**

Introduced and read first time: February 8, 2006

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2                           **Homeowners Property Tax Credit Program - Local Supplement - Municipal**  
3                           **Corporation**

4 FOR the purpose of altering the calculation of a local supplement to the State  
5 Homeowners Property Tax Credit Program granted by a municipal corporation;  
6 specifying certain additional eligibility criteria that the governing body of a  
7 municipal corporation may provide, by law, for purposes of a local supplement;  
8 authorizing the governing body of a municipal corporation to alter certain  
9 limitations on the assessed value of a dwelling taken into account for purposes of  
10 a local supplement; authorizing the governing body of a municipal corporation to  
11 alter certain percentages and income levels used in calculating the credit for  
12 purposes of a local supplement; authorizing the governing body of a municipal  
13 corporation to alter certain limitations on a homeowner's net worth for  
14 determining eligibility for purposes of a local supplement; providing for the  
15 application of this Act; and generally relating to a local supplement granted by a  
16 municipal corporation to the State Homeowners Property Tax Credit Program.

17 BY repealing and reenacting, with amendments,  
18 Article - Tax - Property  
19 Section 9-215.1(e)  
20 Annotated Code of Maryland  
21 (2001 Replacement Volume and 2005 Supplement)

22 BY repealing  
23 Article - Tax - Property  
24 Section 9-215.1(f)  
25 Annotated Code of Maryland  
26 (2001 Replacement Volume and 2005 Supplement)

27 BY adding to  
28 Article - Tax - Property  
29 Section 9-215.1(f)  
30 Annotated Code of Maryland

1 (2001 Replacement Volume and 2005 Supplement)

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

4 **Article - Tax - Property**

5 9-215.1.

6 (e) [(1) The local supplement authorized in accordance with subsection (a) of  
7 this section shall be equal to a percentage not to exceed 50% of the State homeowners  
8 property tax credit provided under § 9-104 of this title.

9 (2)] The amount of the local supplement authorized in accordance with  
10 subsection (a) of this section shall not exceed the net property tax liability due after  
11 providing for any State property tax credit authorized under § 9-104 of this title and  
12 any local supplement to the homeowners property tax credit authorized under §  
13 9-215 of this subtitle.

14 [(f) The governing body of a municipal corporation may provide, by law, for  
15 limitations on eligibility for a local supplement granted under this section in addition  
16 to the requirements for eligibility under § 9-104 of this title.]

17 (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE  
18 LOCAL SUPPLEMENT AUTHORIZED IN ACCORDANCE WITH SUBSECTION (A) OF THIS  
19 SECTION SHALL BE SUBJECT TO THE PROVISIONS OF THE STATE HOMEOWNERS  
20 PROPERTY TAX CREDIT PROGRAM PROVIDED UNDER § 9-104 OF THIS TITLE.

21 (2) THE GOVERNING BODY OF A MUNICIPAL CORPORATION:

22 (I) MAY ALTER, BY LAW, THE FOLLOWING PROVISIONS FOR  
23 PURPOSES OF A LOCAL SUPPLEMENT GRANTED UNDER THIS SECTION:

24 1. THE LIMITATION ON THE ASSESSED VALUE OF A  
25 DWELLING TAKEN INTO ACCOUNT IN DETERMINING TOTAL REAL PROPERTY TAX  
26 UNDER § 9-104(A)(13) OF THIS TITLE;

27 2. THE PERCENTAGES AND COMBINED INCOME LEVELS  
28 SPECIFIED UNDER § 9-104(G) OF THIS TITLE; AND

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

31 (II) MAY PROVIDE, BY LAW, FOR LIMITATIONS ON ELIGIBILITY FOR  
32 A LOCAL SUPPLEMENT GRANTED UNDER THIS SECTION IN ADDITION TO THE  
33 REQUIREMENTS FOR ELIGIBILITY UNDER § 9-104 OF THIS TITLE.

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

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

3 1. WHO HAVE REACHED A CERTAIN AGE;

4 2. WHO HAVE RESIDED IN THEIR DWELLING FOR MORE  
5 THAN A CERTAIN NUMBER OF YEARS; OR

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

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

10 (III) ANY ADDITIONAL CRITERIA FOR ELIGIBILITY THAT THE  
11 GOVERNING BODY OF A MUNICIPAL CORPORATION DETERMINES TO BE NECESSARY  
12 OR APPROPRIATE.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 June 1, 2006, and shall be applicable to taxable years beginning after June 30, 2006.