
By: **Senator Forehand**

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Assigned to: Rules

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 24, 2006

CHAPTER _____

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)

1 Annotated Code of Maryland
2 (2001 Replacement Volume and 2005 Supplement)

3 BY adding to
4 Article - Tax - Property
5 Section 9-215.1(f)
6 Annotated Code of Maryland
7 (2001 Replacement Volume and 2005 Supplement)

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

10 **Article - Tax - Property**

11 9-215.1.

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

15 (2)] The amount of the local supplement authorized in accordance with
16 subsection (a) of this section shall not exceed the net property tax liability due after
17 providing for any State property tax credit authorized under § 9-104 of this title and
18 any local supplement to the homeowners property tax credit authorized under §
19 9-215 of this subtitle.

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

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

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

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

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

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

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

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

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

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

8 1. WHO HAVE REACHED A CERTAIN AGE;

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

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

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

15 (III) ANY ADDITIONAL CRITERIA FOR ELIGIBILITY THAT THE
16 GOVERNING BODY OF A MUNICIPAL CORPORATION DETERMINES TO BE NECESSARY
17 OR APPROPRIATE.

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