

HOUSE BILL 436

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71r1836

By: **Delegates Kaiser, Aumann, Barnes, Beidle, V. Clagett, Conway, Frush, Gaines, Gilchrist, Healey, Hubbard, Lawton, Love, Mathias, Montgomery, Niemann, Pena-Melnyk, Riley, Ross, Simmons, Sophocleus, Waldstreicher, and Walker**

Introduced and read first time: February 5, 2007

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Homestead Tax Credit - Eligibility Verification - Application**

3 FOR the purpose of requiring homeowners to file certain applications to the State
4 Department of Assessments and Taxation to qualify for the homestead property
5 tax credit; providing that the homestead property tax credit may not be granted
6 unless an application is filed as required within certain time periods under
7 certain circumstances; requiring the Comptroller to cooperate with the
8 Department in adopting a certain procedure, provide certain information to the
9 Department, and assist the Department in a postaudit of each application; and
10 generally relating to the homestead property tax credit.

11 BY repealing and reenacting, with amendments,
12 Article – Tax – Property
13 Section 9–105(d)(1)
14 Annotated Code of Maryland
15 (2001 Replacement Volume and 2006 Supplement)

16 BY adding to
17 Article – Tax – Property
18 Section 9–105(d)(6) and (l)
19 Annotated Code of Maryland
20 (2001 Replacement Volume and 2006 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Tax – Property**

4 9–105.

5 (d) (1) [The] **SUBJECT TO THE PROVISIONS OF PARAGRAPH (6) OF**
6 **THIS SUBSECTION, THE** Department shall authorize and the State, a county, or a
7 municipal corporation shall grant a property tax credit under this section for a taxable
8 year unless during the previous taxable year:

9 (i) the dwelling was transferred for consideration to new
10 ownership;

11 (ii) the value of the dwelling was increased due to a change in
12 the zoning classification of the dwelling initiated or requested by the homeowner or
13 anyone having an interest in the property;

14 (iii) the use of the dwelling was changed substantially; or

15 (iv) the assessment of the dwelling was clearly erroneous due to
16 an error in calculation or measurement of improvements on the real property.

17 **(6) (I) TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, A**
18 **HOMEOWNER SHALL SUBMIT AN APPLICATION FOR THE CREDIT TO THE**
19 **DEPARTMENT AS PROVIDED IN THIS PARAGRAPH.**

20 **(II) THE APPLICATION SHALL:**

21 **1. BE MADE ON THE FORM THAT THE DEPARTMENT**
22 **PROVIDES;**

23 **2. PROVIDE THE INFORMATION REQUIRED BY THE**
24 **FORM; AND**

25 **3. INCLUDE A STATEMENT BY THE HOMEOWNER**
26 **UNDER OATH THAT THE FACTS STATED IN THE APPLICATION ARE TRUE,**
27 **CORRECT, AND COMPLETE.**

1 **(III) THE DEPARTMENT MAY NOT AUTHORIZE AND THE**
2 **STATE, COUNTY, AND MUNICIPAL CORPORATION MAY NOT GRANT THE**
3 **PROPERTY TAX CREDIT UNDER THIS SECTION FOR A DWELLING UNLESS AN**
4 **APPLICATION IS FILED WITH THE DEPARTMENT AS REQUIRED UNDER THIS**
5 **PARAGRAPH:**

6 **1. ON OR BEFORE SEPTEMBER 1 FOLLOWING THE**
7 **DATE THE DWELLING IS TRANSFERRED FOR CONSIDERATION TO NEW**
8 **OWNERSHIP, FOR A DWELLING THAT IS TRANSFERRED FOR CONSIDERATION TO**
9 **NEW OWNERSHIP AFTER DECEMBER 31, 2007; OR**

10 **2. ON OR BEFORE DECEMBER 31, 2012, FOR A**
11 **DWELLING THAT WAS LAST TRANSFERRED FOR CONSIDERATION TO NEW**
12 **OWNERSHIP ON OR BEFORE DECEMBER 31, 2007.**

13 **(L) THE COMPTROLLER SHALL:**

14 **(1) COOPERATE WITH THE DEPARTMENT IN ADOPTING A**
15 **PROCEDURE TO AUDIT THE APPLICATION FORMS SUBMITTED UNDER THIS**
16 **SECTION;**

17 **(2) NOTWITHSTANDING § 13-202 OF THE TAX - GENERAL**
18 **ARTICLE, PROVIDE ADDITIONAL INFORMATION TO THE DEPARTMENT; AND**

19 **(3) ASSIST THE DEPARTMENT IN A POSTAUDIT OF EACH**
20 **APPLICATION.**

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2007.