

SENATE BILL 522

Q1

71r2267
CF HB 436

By: **Senator Rosapepe**

Introduced and read first time: February 2, 2007

Assigned to: Budget and Taxation

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)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article - Tax - Property

9-105.

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

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

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

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

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

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

(II) THE APPLICATION SHALL:

1. BE MADE ON THE FORM THAT THE DEPARTMENT PROVIDES;

2. PROVIDE THE INFORMATION REQUIRED BY THE FORM; AND

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

(III) THE DEPARTMENT MAY NOT AUTHORIZE AND THE STATE, COUNTY, AND MUNICIPAL CORPORATION MAY NOT GRANT THE PROPERTY TAX CREDIT UNDER THIS SECTION FOR A DWELLING UNLESS AN

1 APPLICATION IS FILED WITH THE DEPARTMENT AS REQUIRED UNDER THIS
2 PARAGRAPH:

3 1. ON OR BEFORE SEPTEMBER 1 FOLLOWING THE
4 DATE THE DWELLING IS TRANSFERRED FOR CONSIDERATION TO NEW
5 OWNERSHIP, FOR A DWELLING THAT IS TRANSFERRED FOR CONSIDERATION TO
6 NEW OWNERSHIP AFTER DECEMBER 31, 2007; OR

7 2. ON OR BEFORE DECEMBER 31, 2012, FOR A
8 DWELLING THAT WAS LAST TRANSFERRED FOR CONSIDERATION TO NEW
9 OWNERSHIP ON OR BEFORE DECEMBER 31, 2007.

10 (L) THE COMPTROLLER SHALL:

11 (1) COOPERATE WITH THE DEPARTMENT IN ADOPTING A
12 PROCEDURE TO AUDIT THE APPLICATION FORMS SUBMITTED UNDER THIS
13 SECTION;

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

16 (3) ASSIST THE DEPARTMENT IN A POSTAUDIT OF EACH
17 APPLICATION.

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