

# CHAPTER 210

(Senate Bill 760)

AN ACT concerning

## ~~Homestead~~ Property Tax Credit – Residence of Homeowner’s Family Member

FOR the purpose of ~~altering the definition of a dwelling that qualifies for the homestead property tax credit to include certain homes that are the only residence of a family member of the homeowner; providing that a dwelling must be occupied by a certain day to qualify for the homestead property tax credit; providing that a homeowner may claim a homestead property tax credit for two dwellings under certain circumstances; and generally relating to the homestead property tax credit for certain dwellings that are the only residence of a family member of the homeowner~~ authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a tax credit against the county or municipal corporation property tax imposed on certain dwellings; authorizing the county or municipal corporation to provide, by law, for the amount and duration of the credit and certain other provisions to carry out the credit; defining certain terms; and generally relating to a local property tax credit for dwellings.

~~BY repealing and reenacting, with amendments,  
Article – Tax – Property  
Section 9-105(a)(2), (e)(2) and (3), and (d)(2) and (3)  
Annotated Code of Maryland  
(2007 Replacement Volume)~~

BY adding to  
Article – Tax – Property  
Section 9-248  
Annotated Code of Maryland  
(2007 Replacement Volume)

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

### Article – Tax – Property

#### ~~9-105.~~ 9-248.

(a) ~~(2)~~ (i) ~~“Dwelling” means:~~

~~1. a house that is:~~

~~A. used as the principal residence of the homeowner; and~~

~~B. actually occupied or expected to be actually occupied by the homeowner for more than 6 months of a 12-month period beginning with the date of finality for the taxable year for which the property tax credit under this section is sought; and~~

~~2. the lot or curtilage on which the house is erected.~~

~~(ii) "Dwelling" includes:~~

~~1. a condominium unit that is occupied by an individual who has a legal interest in the condominium;~~

~~2. an apartment in a cooperative apartment corporation that is occupied by an individual who has a legal interest in the apartment; and~~

~~3. a part of real property used other than primarily for residential purposes, if the real property is used as a principal residence by an individual who has a legal interest in the real property.~~

~~(iii) "DWELLING" INCLUDES A HOUSE, AND THE LOT OR CURTILAGE ON WHICH THE HOUSE IS ERECTED, IF THE HOUSE:~~

~~(A) IN THIS SECTION, "FAMILY ASSISTANCE DWELLING" MEANS A HOUSE, AND THE LOT OR CURTILAGE ON WHICH THE HOUSE IS ERECTED, IF THE HOUSE:~~

~~1. (1) IS NOT A VACATION HOME;~~

~~2. (2) IS NOT THE RESIDENCE OF THE HOMEOWNER BUT TREATED AS USED BY THE HOMEOWNER FOR PERSONAL PURPOSES WITHIN THE MEANING OF § 280A(D) OF THE INTERNAL REVENUE CODE; AND~~

~~3. (3) IS THE ONLY RESIDENCE OF AN INDIVIDUAL WHO:~~

~~A. (I) IS THE BROTHER, SISTER, HALF-BROTHER, HALF-SISTER, SPOUSE, PARENT, STEP-PARENT, GRANDPARENT, CHILD, STEP-CHILD, ADOPTED CHILD, OR GRANDCHILD OF THE HOMEOWNER;~~

~~B. (II) WHOSE MAKES RENTAL PAYMENTS TO THE HOMEOWNER THAT ARE LESS THAN 90% OF A FAIR RENTAL PRICE PAID FOR A SIMILAR DWELLING IN THE SAME AREA; AND~~

**€ (III) IS ENTITLED TO LOW INCOME ASSISTANCE BENEFITS UNDER A FEDERAL OR STATE PROGRAM.**

~~(e) (2) If a homeowner, OR THE HOMEOWNER'S FAMILY MEMBER IN THE CASE OF A DWELLING DESCRIBED IN SUBSECTION (A)(2)(III) OF THIS SECTION, does not actually reside in a dwelling for the required time period because of illness or need of special care and is otherwise eligible for a property tax credit under this section, the homeowner may qualify for the property tax credit under this section.~~

~~(3) If a homeowner, OR THE HOMEOWNER'S FAMILY MEMBER IN THE CASE OF A DWELLING DESCRIBED IN SUBSECTION (A)(2)(III) OF THIS SECTION, otherwise eligible for a credit under this section does not actually reside in a dwelling for the required time period because the dwelling is damaged due to an accident or natural disaster, the homeowner may continue to qualify for a credit under this section for the current taxable year and 2 succeeding taxable years even if the dwelling has been removed from the assessment roll in accordance with § 10-304 of this article.~~

~~(d) (2) A homeowner, OR THE HOMEOWNER'S FAMILY MEMBER IN THE CASE OF A DWELLING DESCRIBED IN SUBSECTION (A)(2)(III) OF THIS SECTION, must actually reside in the dwelling by July 1 of the taxable year for which the property tax credit under this section is to be allowed.~~

~~(3) (i) [A] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, A homeowner may claim a property tax credit under this section for only 1 dwelling.~~

~~(ii) A HOMEOWNER MAY CLAIM A PROPERTY TAX CREDIT UNDER THIS SECTION FOR TWO DWELLINGS IF ONE OF THE DWELLINGS QUALIFIES AS A DWELLING UNDER SUBSECTION (A)(2)(I) OF THIS SECTION AND THE OTHER DWELLING QUALIFIES AS A DWELLING UNDER SUBSECTION (A)(2)(III) OF THIS SECTION.~~

(B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY GRANT, BY LAW, A TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON A FAMILY ASSISTANCE DWELLING.

(C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY PROVIDE, BY LAW, FOR:

**(1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS SECTION;**

**(2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER THIS SECTION;**

**(3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND**

**(4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE CREDIT UNDER THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008, and shall be applicable to all taxable years beginning after June 30, 2008.

**Approved by the Governor, April 24, 2008.**