

HOUSE BILL 431

Q2

9lr2442
CF 9lr2015

By: **Delegate Elmore**

Introduced and read first time: February 3, 2009

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Somerset County - Property Tax - Homestead Tax Credit Percentage**

3 FOR the purpose of altering the maximum homestead property tax credit percentage
4 in Somerset County; providing for the application of this Act; and generally
5 relating to the homestead property tax credit percentage in Somerset County.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - Property
8 Section 9-105(e)
9 Annotated Code of Maryland
10 (2007 Replacement Volume and 2008 Supplement)

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

13 **Article - Tax - Property**

14 9-105.

15 (e) (1) For each taxable year, the property tax credit under this section is
16 calculated by:

17 (i) multiplying the prior year's taxable assessment by the
18 homestead credit percentage as provided under paragraph (2) of this subsection;

19 (ii) subtracting that amount from the current year's assessment;
20 and

21 (iii) if the difference is a positive number, multiplying the
22 difference by the applicable State, county, or municipal corporation property tax rate
23 for the current year.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) For each taxable year, the homestead credit percentage under
2 paragraph (1)(i) of this subsection is:

3 (i) for the State property tax, 110%;

4 (ii) for the county property tax:

5 1. the homestead credit percentage established by the
6 county under paragraph (3) of this subsection; or

7 2. if the county has not set a percentage for the taxable
8 year under paragraph (3) of this subsection or has not notified the Department as
9 required under paragraph (6) of this subsection, the homestead credit percentage in
10 effect for the county for the preceding taxable year; and

11 (iii) for the municipal corporation property tax:

12 1. the homestead credit percentage established by the
13 municipal corporation under paragraph (4) of this subsection; or

14 2. if the municipal corporation has not set a percentage
15 under paragraph (4) of this subsection or has not notified the Department as required
16 under paragraph (7) of this subsection, the homestead credit percentage for the
17 taxable year for the county in which the property is located.

18 (3) Subject to paragraph (5) of this subsection, the Mayor and City
19 Council of Baltimore City and the governing body of a county on or before November
20 15 of any year shall set, by law, the homestead credit percentage for the taxable year
21 beginning the following July 1.

22 (4) Subject to paragraph (5) of this subsection, on or before November
23 25 of any year, the governing body of a municipal corporation may set or alter, by law,
24 a homestead credit percentage for the taxable year beginning the following July 1 and
25 any subsequent taxable year.

26 (5) (I) **[The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
27 **THIS PARAGRAPH, THE** homestead credit percentage for any county or municipal
28 corporation property tax:

29 [(i)] 1. may not be less than 100% or exceed 110% for any
30 taxable year; and

31 [(ii)] 2. shall be expressed in increments of 1 percentage
32 point.

1 **(II) IN SOMERSET COUNTY, THE HOMESTEAD CREDIT**
2 **PERCENTAGE FOR THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX**
3 **MAY NOT BE LESS THAN 100% OR EXCEED 103% FOR ANY TAXABLE YEAR.**

4 (6) The Mayor and City Council of Baltimore City and the governing
5 body of a county shall notify the Department of any action taken under paragraph (3)
6 of this subsection on or before November 15 preceding the taxable year for which the
7 action is taken.

8 (7) A municipal corporation shall notify the Department of any action
9 taken under paragraph (4) of this subsection on or before November 25 preceding the
10 taxable year for which the action is taken.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2009, and shall be applicable to all taxable years beginning after June 30,
13 2010.