

SENATE BILL 87

Q1

9lr0124

(PRE-FILED)

By: **Chair, Budget and Taxation Committee (By Request – Departmental – Assessments and Taxation)**

Requested: October 6, 2008

Introduced and read first time: January 14, 2009

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 24, 2009

CHAPTER _____

1 AN ACT concerning

2 **Property Tax – Homestead Tax Credit – Eligibility**

3 FOR the purpose of altering the deadline for filing certain applications for the
4 homestead property tax credit with the State Department of Assessments and
5 Taxation under certain circumstances; authorizing the Department to reinstate
6 the tax credit under certain circumstances; providing for the application of this
7 Act; and generally relating to eligibility and application requirements for the
8 homestead property tax credit program.

9 BY repealing and reenacting, with amendments,
10 Article – Tax – Property
11 Section 9–105(d)(5) and (6)
12 Annotated Code of Maryland
13 (2007 Replacement Volume and 2008 Supplement)

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

16 **Article – Tax – Property**

17 9–105.

18 (d) (5) (i) If the dwelling was transferred for consideration in a deed
19 dated on or after January 1 but before the beginning of the next taxable year and the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 deed [has not been] **WAS** recorded with the clerk of the circuit court or the Department
2 [prior to the beginning of the next taxable year,] **ON OR AFTER JULY 1 BUT BEFORE**
3 **SEPTEMBER 1 OF THE NEXT TAXABLE YEAR**, the new owner may submit a written
4 application to the Department [within 60 days after the date of the deed] **ON OR**
5 **BEFORE SEPTEMBER 1** requesting that the date of the deed be accepted by the
6 Department as the date of transfer under paragraph (1) of this subsection.

7 (ii) 1. The applicant shall submit with the written
8 application a copy of the executed deed evidencing the date of the transfer.

9 2. If the applicant fails to submit a copy of the executed
10 deed as required under subparagraph 1 of this subparagraph, the Department
11 shall deny the application.

12 (iii) The date of the transfer under this paragraph is the effective
13 date of the deed as described under § 3-201 of the Real Property Article.

14 (6) (i) To qualify for the credit under this section, a homeowner
15 shall submit an application for the credit to the Department as provided in this
16 paragraph.

17 (ii) The application shall:

18 1. be made on the form that the Department provides;

19 2. provide the information required by the form; [and]

20 3. include a statement by the homeowner under oath
21 that the facts stated in the application are true, correct, and complete; **AND**

22 4. **BE FILED ON OR BEFORE JULY 1 OF THE FIRST**
23 **TAXABLE YEAR FOR WHICH THE PROPERTY TAX CREDIT UNDER THIS SECTION IS**
24 **TO BE ALLOWED.**

25 (iii) [The] **FOR A DWELLING THAT WAS LAST TRANSFERRED**
26 **FOR CONSIDERATION TO NEW OWNERSHIP ON OR BEFORE DECEMBER 31, 2007,**
27 **THE** Department may not authorize and the State, county, and municipal corporation
28 may not grant the property tax credit under this section **AFTER DECEMBER 31,**
29 **2012,** [for a dwelling] unless an application is filed with the Department as required
30 under this paragraph[:

31 1. within 180 days following the date the dwelling is
32 transferred for consideration to new ownership, for a dwelling that is transferred for
33 consideration to new ownership after December 31, 2007; or

1 2. on or before December 31, 2012, for a dwelling that
2 was last transferred for consideration to new ownership on or before December 31,
3 2007].

4 **(IV) IF A DWELLING PREVIOUSLY RECEIVED A CREDIT**
5 **UNDER THIS SECTION AND FAILED TO QUALIFY FOR 1 TAXABLE YEAR BECAUSE**
6 **OF A FAILURE TO FILE THE APPLICATION REQUIRED UNDER THIS PARAGRAPH,**
7 **THE DEPARTMENT:**

8 **1. SHALL GRANT THE CREDIT FOR THE DWELLING**
9 **FOR THE NEXT FOLLOWING TAXABLE YEAR ON THE TIMELY FILING OF THE**
10 **APPLICATION BY THE SAME HOMEOWNER WHO PREVIOUSLY RECEIVED THE**
11 **CREDIT; AND**

12 **2. SHALL CALCULATE THE PRIOR YEAR’S TAXABLE**
13 **ASSESSMENT FOR THE DWELLING AS IF THE CREDIT HAD NOT BEEN LOST FOR**
14 **THE 1 INTERVENING TAXABLE YEAR.**

15 [(iv)] (v) The Department shall provide a homeowner the
16 option to submit the application required under this paragraph electronically on the
17 Department’s website.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2009, and shall be applicable to all taxable years beginning after June 30,
20 2009.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.