

SENATE BILL 520

Q1
HB 390/09 – W&M

0lr2974
CF HB 199

By: **Senator Robey**
Introduced and read first time: February 3, 2010
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 29, 2010

CHAPTER _____

1 AN ACT concerning

2 **Homestead Property Tax Credit – Eligibility of Employees of the Federal**
3 **Government Stationed Outside the State**

4 FOR the purpose of providing that under certain circumstances a homeowner who is
5 an employee of the federal government stationed outside the State may qualify
6 for the homestead property tax credit if the homeowner is otherwise eligible for
7 the credit but does not actually reside in a dwelling for the required time period;
8 providing for the calculation of the homestead property tax credit ~~for a certain~~
9 ~~taxable year~~ under certain circumstances; providing for the application of this
10 Act; and generally relating to the homestead property tax credit.

11 BY repealing and reenacting, without amendments,
12 Article – Tax – Property
13 Section 9–105(a)(1) through (3) and (b)
14 Annotated Code of Maryland
15 (2007 Replacement Volume and 2009 Supplement)

16 BY adding to
17 Article – Tax – Property
18 Section 9–105(c)(6)
19 Annotated Code of Maryland
20 (2007 Replacement Volume and 2009 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.

Underlining indicates amendments to bill.

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



Article – Tax – Property

1

2 9–105.

3 (a) (1) In this section the following words have the meanings indicated.

4 (2) (i) “Dwelling” means:

5 1. a house that is:

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

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

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

12 (ii) “Dwelling” includes:

13 1. a condominium unit that is occupied by an individual
14 who has a legal interest in the condominium;15 2. an apartment in a cooperative apartment corporation
16 that is occupied by an individual who has a legal interest in the apartment; and17 3. a part of real property used other than primarily for
18 residential purposes, if the real property is used as a principal residence by an
19 individual who has a legal interest in the real property.20 (3) “Homeowner” means an individual who has a legal interest in a
21 dwelling or who is an active member of an agricultural ownership entity that has a
22 legal interest in a dwelling.23 (b) If there is an increase in property assessment as calculated under this
24 section, the State and the governing body of each county and of each municipal
25 corporation shall grant a property tax credit under this section against the State,
26 county, and municipal corporation property tax imposed on real property by the State,
27 county, or municipal corporation.28 (c) **(6) (I) THIS PARAGRAPH APPLIES IF:**29 **1. THE CREDIT UNDER THIS SECTION HAS BEEN**
30 **DENIED FOR A DWELLING FOR ANY TAXABLE YEAR BECAUSE OF THE**

1 HOMEOWNER'S FAILURE TO OCCUPY THE DWELLING FOR THE REQUIRED TIME
2 PERIOD; AND

3 2. THE HOMEOWNER'S FAILURE TO OCCUPY THE
4 DWELLING FOR THE REQUIRED TIME PERIOD WAS THE RESULT OF THE
5 HOMEOWNER'S BEING AN EMPLOYEE OF THE UNITED STATES GOVERNMENT
6 ~~TEMPORARILY~~ STATIONED OUTSIDE THE STATE FOR A PERIOD NOT EXCEEDING
7 6 CONSECUTIVE YEARS.

8 (II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,
9 A HOMEOWNER OTHERWISE ELIGIBLE FOR A CREDIT UNDER THIS SECTION MAY
10 QUALIFY FOR THE CREDIT FOR A DWELLING TO WHICH THIS PARAGRAPH
11 APPLIES FOR THE NEXT TAXABLE YEAR FOLLOWING THE HOMEOWNER'S
12 RESUMPTION OF RESIDENCY IN THE DWELLING.

13 (III) THE CREDIT ALLOWED UNDER THIS PARAGRAPH SHALL
14 BE CALCULATED BASED ON THE PRIOR YEAR'S TAXABLE ASSESSMENT OF THE
15 DWELLING DETERMINED AS IF THE CREDIT HAD NOT BEEN LOST FOR THE
16 INTERVENING TAXABLE YEARS WHEN THE HOMEOWNER WAS AN EMPLOYEE OF
17 THE UNITED STATES GOVERNMENT STATIONED OUTSIDE THE STATE.

18 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, if a homeowner was~~
19 ~~denied the homestead property tax credit for a dwelling under § 9-105 of the Tax~~
20 ~~Property Article for any taxable year beginning before July 1, 2010, because of the~~
21 ~~homeowner's failure to occupy the dwelling in accordance with § 9-105 of the Tax~~
22 ~~Property Article and the homeowner's failure to occupy the dwelling was the result of~~
23 ~~the homeowner's being a federal government employee temporarily stationed outside~~
24 ~~the State, the homeowner may qualify for the homestead property tax credit for the~~
25 ~~next taxable year following the homeowner's resumption of residency. The homestead~~
26 ~~property tax credit for the taxable year beginning July 1, 2010, shall be calculated~~
27 ~~based on the prior year's taxable assessment of the property determined as if the~~
28 ~~homeowner had continuously qualified for the homestead property tax credit.~~

29 SECTION ~~2.~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take
30 effect June 1, 2010, and shall be applicable to all taxable years beginning after June
31 30, 2010.