

# SENATE BILL 683

Q1

(0lr2583)

## ENROLLED BILL

— Budget and Taxation/Ways and Means —

Introduced by **Senators Peters, Harrington, Currie, Exum, Miller, Muse, Pinsky, and Rosapepe**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Property Taxes – ~~Homestead Property Tax Credit~~ Bicounty Commissions**

3 FOR the purpose of providing that the homestead property tax credit applies to any  
4 State, county, or municipal corporation property tax, ~~including~~ and certain  
5 taxes imposed ~~by a county for a bicounty commission and certain taxes imposed~~  
6 ~~for special taxing districts;~~ for certain bicounty commissions; specifying the  
7 applicable homestead credit percentage for certain taxes imposed for certain  
8 bicounty commissions; defining a certain term; *altering a certain definition;*  
9 *providing for the calculation of the homestead property tax credit for a certain*  
10 *taxable year for property tax imposed for certain bicounty commissions;*  
11 providing for the application and construction of certain laws relating to certain  
12 taxes imposed for certain bicounty commissions; providing for the application of  
13 this Act; and generally relating to the homestead property tax credit and  
14 property taxes imposed for certain bicounty commissions.

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**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.

*Italics* indicate opposite chamber/conference committee amendments.



1 BY repealing and reenacting, without amendments,  
 2 Article – Tax – Property  
 3 Section 9–105(a)(1)  
 4 Annotated Code of Maryland  
 5 (2007 Replacement Volume and 2009 Supplement)

6 BY adding to  
 7 Article – Tax – Property  
 8 Section 9–105(a)(9)  
 9 Annotated Code of Maryland  
 10 (2007 Replacement Volume and 2009 Supplement)

11 BY repealing and reenacting, with amendments,  
 12 Article – Tax – Property  
 13 ~~Section 9–105(b)~~ ~~9–105(b), (e)(2)~~ 9–105(a)(5), (b), (e)(1) and (2), and (g)  
 14 Annotated Code of Maryland  
 15 (2007 Replacement Volume and 2009 Supplement)

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

18 **Article – Tax – Property**

19 9–105.

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

21 (5) “Taxable assessment” means the assessment on which the [State,  
 22 county, or municipal corporation] property tax rate was imposed in the preceding  
 23 taxable year, adjusted by the phased-in assessment increase resulting from a  
 24 revaluation under § 8–104(c)(1)(iii) of this article, less the amount of any assessment on  
 25 which a property tax credit under this section is authorized.

26 (9) **“BICOUNTY COMMISSION” MEANS:**

27 **(I) THE MARYLAND–NATIONAL CAPITAL PARK AND**  
 28 **PLANNING COMMISSION;**

29 **(II) THE WASHINGTON SUBURBAN SANITARY COMMISSION;**

30 **OR**

31 **(III) THE WASHINGTON SUBURBAN TRANSIT COMMISSION.**

32 (b) (1) If there is an increase in property assessment as calculated under  
 33 this section, the State and the governing body of each county and of each municipal

1 corporation shall grant a property tax credit under this section against the State,  
 2 county, and municipal corporation property tax imposed on real property by the State,  
 3 county, or municipal corporation.

4 **(2) A PROPERTY TAX CREDIT GRANTED UNDER THIS SECTION**  
 5 **SHALL BE APPLICABLE TO ANY STATE, COUNTY, OR MUNICIPAL CORPORATION**  
 6 **PROPERTY TAX, ~~INCLUDING:~~ AND ANY PROPERTY TAX IMPOSED FOR A**  
 7 **BICOUNTY COMMISSION.**

8 ~~**(I) ANY PROPERTY TAX IMPOSED BY A COUNTY FOR ANY**~~  
 9 ~~**BICOUNTY COMMISSION; AND**~~

10 ~~**(II) ANY PROPERTY TAX IMPOSED FOR A SPECIAL TAXING**~~  
 11 ~~**DISTRICT.**~~

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

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

16 (ii) subtracting that amount from the current year's assessment;  
 17 and

18 (iii) if the difference is a positive number, multiplying the  
 19 difference by the applicable [State, county, or municipal corporation] property tax rate  
 20 for the current year.

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

23 (i) for the State property tax **AND FOR ANY PROPERTY TAX**  
 24 **IMPOSED FOR A BICOUNTY COMMISSION, 110%;**

25 (ii) for the county property tax:

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

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

32 (iii) for the municipal corporation property tax:

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

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

7           (g) A homeowner who meets the requirements of this section shall be  
 8 granted the property tax credit under this section against the State, county, and  
 9 municipal corporation property tax AND ANY PROPERTY TAX IMPOSED FOR A  
 10 BICOUNTY COMMISSION imposed on the real property of the dwelling.

11           SECTION 2. AND BE IT FURTHER ENACTED, That:

12           (a) In this section, “bicounty commission” means:

13                   (1) the Maryland–National Capital Park and Planning Commission;

14                   (2) the Washington Suburban Sanitary Commission; or

15                   (3) the Washington Suburban Transit Commission.

16           (b) Any provision of Article 28 of the Code, Article 29 of the Code, or Chapter  
 17 870 of the Acts of the General Assembly of 1965, as amended, providing that a tax  
 18 imposed for a bicounty commission shall be levied and collected as county taxes are  
 19 levied and collected, have the same priority rights, bear the same interest and  
 20 penalties, and in any other respect be treated the same as a county tax:

21                   (1) applies only to the authority to ~~impose, enforce,~~ enforce and collect  
 22 the tax imposed for the bicounty commission; and

23                   (2) may not be deemed or construed to mean that the tax imposed for  
 24 the bicounty commission is a county property tax under the Tax – Property Article.

25           (c) For the purpose of calculating the homestead tax credit under § 9–105 of  
 26 the Tax – Property Article, as enacted by Section 1 of this Act, for the tax year beginning  
 27 July 1, 2010, the prior year’s taxable assessment used for purposes of calculating the  
 28 credit for property tax imposed for a bicounty commission shall be the prior year’s  
 29 taxable assessment used for calculating the credit for the State property tax.

30           SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take  
 31 effect June 1, 2010, and shall be applicable to all taxable years beginning after  
 32 June 30, 2010.