

Chapter 336

(Senate Bill 683)

AN ACT concerning

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

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

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section 9–105(a)(1)

Annotated Code of Maryland

(2007 Replacement Volume and 2009 Supplement)

BY adding to

Article – Tax – Property

Section 9–105(a)(9)

Annotated Code of Maryland

(2007 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section ~~9–105(b)~~ ~~9–105(b), (e)(2)~~ 9–105(a)(5), (b), (e)(1) and (2), and (g)

Annotated Code of Maryland

(2007 Replacement Volume and 2009 Supplement)

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

Article – Tax – Property

9–105.

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

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

(9) “BICOUNTY COMMISSION” MEANS:

(I) THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION;

(II) THE WASHINGTON SUBURBAN SANITARY COMMISSION;

OR

(III) THE WASHINGTON SUBURBAN TRANSIT COMMISSION.

(b) (1) If there is an increase in property assessment as calculated under this section, the State and the governing body of each county and of each municipal corporation shall grant a property tax credit under this section against the State, county, and municipal corporation property tax imposed on real property by the State, county, or municipal corporation.

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

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

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

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

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

(ii) subtracting that amount from the current year’s assessment;
and

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

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

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

(ii) for the county property tax:

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

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

(iii) for the municipal corporation property tax:

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) In this section, "bicounty commission" means:

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

(2) the Washington Suburban Sanitary Commission; or

(3) the Washington Suburban Transit Commission.

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

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

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

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

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

Approved by the Governor, May 4, 2010.