

# HOUSE BILL 114

Q1

6lr1157

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By: **Delegates Tarlau, Angel, Fennell, McCray, Pena–Melnyk, Platt, and Sanchez**  
Introduced and read first time: January 20, 2016  
Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Homeowners' Property Tax Credit – Calculation and Eligibility**

3 FOR the purpose of altering certain limitations on a homeowner's combined net worth and  
4 gross income amount for purposes of determining eligibility for a certain  
5 homeowners' property tax credit; altering the computation of the credit; providing  
6 for a delayed effective date for certain provisions of this Act; and generally relating  
7 to a certain homeowners' property tax credit.

8 BY repealing and reenacting, with amendments,

9 Article – Tax – Property

10 Section 9–104(h) and (k)(1)

11 Annotated Code of Maryland

12 (2012 Replacement Volume and 2015 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – Tax – Property

15 Section 9–104(k)(1)

16 Annotated Code of Maryland

17 (2012 Replacement Volume and 2015 Supplement)

18 (As enacted by Section 1 of this Act)

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

21 **Article – Tax – Property**

22 9–104.

23 (k) (1) A property tax credit under this section may not be granted to a  
24 homeowner whose combined net worth exceeds \$200,000 as of December 31 of the calendar  
25 year that precedes the year in which the homeowner applies for the property tax credit or

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 whose combined gross income, **IN THAT SAME CALENDAR YEAR**, exceeds [\$60,000 in that  
2 same calendar year]:

3 (I) **\$60,000 BEFORE JANUARY 1, 2018;**

4 (II) **\$70,000 ON OR AFTER JANUARY 1, 2018, BUT BEFORE**  
5 **JANUARY 1, 2019; OR**

6 (III) **\$80,000 ON OR AFTER JANUARY 1, 2019.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
8 as follows:

9 **Article – Tax – Property**

10 9–104.

11 (h) (1) Except as provided in subsection (i) of this section, the property tax  
12 credit under this section is the total real property tax of a dwelling, less the percentage of  
13 the combined income of the homeowner that is described in paragraph (2) of this subsection.

14 (2) The percentage is:

15 (i) 0% of the 1st \$8,000 of combined income;

16 (ii) 4% of the next \$4,000 of combined income;

17 (iii) 6.5% of the next \$4,000 of combined income; and

18 (iv) **[9%] 7.5%** of the combined income over \$16,000.

19 (k) (1) A property tax credit under this section may not be granted to a  
20 homeowner whose combined net worth exceeds **[\$200,000] \$400,000** as of December 31 of  
21 the calendar year that precedes the year in which the homeowner applies for the property  
22 tax credit or whose combined gross income, in that same calendar year, exceeds:

23 (i) \$60,000 before January 1, 2018;

24 (ii) \$70,000 on or after January 1, 2018, but before January 1, 2019;

25 or

26 (iii) \$80,000 on or after January 1, 2019.

27 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take  
28 effect January 1, 2017.

1           SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section  
2 3 of this Act, this Act shall take effect June 1, 2016.