

# HOUSE BILL 586

Q1

8lr2304

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By: **Delegates Krebs, Afzali, Arentz, Carozza, Corderman, Hornberger, Jacobs, Kipke, Kittleman, Long, Malone, Mautz, McComas, McConkey, Miele, W. Miller, Morgan, Otto, Rose, Saab, Shoemaker, and West**

Introduced and read first time: January 29, 2018

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Property Tax – Homestead Property Tax Assessment Cap Reduction**

3 FOR the purpose of reducing the homestead property tax credit percentage for the State  
4 property tax; providing for the application of this Act; and generally relating to the  
5 homestead property tax credit.

6 BY repealing and reenacting, with amendments,

7 Article – Tax – Property

8 Section 9–105(e)(2)

9 Annotated Code of Maryland

10 (2012 Replacement Volume and 2017 Supplement)

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

### Article – Tax – Property

14 9–105.

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

17 (i) for the State property tax [and], **105%**;

18 **(II)** for any property tax imposed for a bicounty commission, 110%;

19 **[(ii)] (III)** for the county property tax:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

7                                   [(iii)] (IV)   for the municipal corporation property tax:

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

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

14                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 October 1, 2018, and shall be applicable to all taxable years beginning after June 30, 2019.