HOUSE BILL 887

Q2
HB 583/18 – W&M

By: Delegate Long
Introduced and read first time: February 8, 2019
Assigned to: Ways and Means

A BILL ENTITLED

AN ACT concerning

Baltimore County – Property Tax – Homeowners’ Property Tax Credit Supplement

FOR the purpose of requiring the governing body of Baltimore County to grant a certain property tax credit to supplement the State homeowners’ property tax credit; providing for the calculation of the credit; prohibiting the county from granting the credit under certain circumstances; providing that the State Department of Assessments and Taxation is responsible for certain administrative duties with respect to the credit; requiring the county to reimburse the Department for certain costs; defining certain terms; providing for the application of this Act; and generally relating to a homeowners’ property tax credit supplement for certain property located in Baltimore County.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 9–215(a)
Annotated Code of Maryland
(2012 Replacement Volume and 2018 Supplement)

BY adding to

Article – Tax – Property
Section 9–305(g)
Annotated Code of Maryland
(2012 Replacement Volume and 2018 Supplement)

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

Article – Tax – Property

9–215.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
(a) [The] Except as provided in § 9–305 of this title, the Mayor and City Council of Baltimore City or the governing body of a county may grant, by law, a local supplement to the Homeowners Property Tax Credit Program provided under § 9–104 of this title.

9–305.

(G) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Combined income” has the meaning stated in § 9–104 of this title.

(iii) “Dwelling” has the meaning stated in § 9–104 of this title.

(iv) “Homeowner” has the meaning stated in § 9–104 of this title.

(v) “Net worth” has the meaning stated in § 9–104 of this title.

(vi) “Total real property tax” means the sum of all property tax rates on real property for the taxable year on a dwelling, multiplied by the lesser of:

1. $300,000; or

2. The assessed value of the dwelling reduced by the amount of any assessment on which a property tax credit is granted under § 11–2–103 of the Baltimore County Code.

(2) The governing body of Baltimore County shall grant a property tax credit to supplement the homeowners' property tax credit granted under § 9–104 of this title.

(3) (i) The property tax credit under this subsection is the total real property tax of a dwelling, less the percentage of the combined income of the homeowner that is described in subparagraph (ii) of this paragraph.

(ii) The percentage is:
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1. 0% OF THE FIRST $18,000 OF COMBINED INCOME;

2. 6.5% OF THE NEXT $4,000 OF COMBINED INCOME;

AND

3. 9% OF COMBINED INCOME OVER $22,000.

(4) A PROPERTY TAX CREDIT UNDER THIS SUBSECTION MAY NOT BE GRANTED:

(I) IF THE HOMEOWNER’S COMBINED NET WORTH EXCEEDS $200,000 AS OF DECEMBER 31 OF THE CALENDAR YEAR THAT PRECEDES THE YEAR IN WHICH THE HOMEOWNER APPLIES FOR THE PROPERTY TAX CREDIT OR IF THE HOMEOWNER’S COMBINED GROSS INCOME EXCEEDS $72,000 IN THAT SAME CALENDAR YEAR; OR

(II) IF THE HOMEOWNERS’ PROPERTY TAX CREDIT GRANTED UNDER § 9–104 OF THIS TITLE EXCEEDS THE AMOUNT CALCULATED UNDER PARAGRAPH (3) OF THIS SUBSECTION.

(5) (I) THE DEPARTMENT IS RESPONSIBLE FOR THE ADMINISTRATIVE DUTIES THAT RELATE TO THE APPLICATION AND DETERMINATION OF ELIGIBILITY FOR A PROPERTY TAX CREDIT UNDER THIS SUBSECTION.

(II) THE COUNTY SHALL REIMBURSE THE DEPARTMENT FOR THE REASONABLE COST OF ADMINISTERING THE PROPERTY TAX CREDIT UNDER THIS SUBSECTION.

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