HOUSE BILL 1411

By: Delegate Kipke
Introduced and read first time: February 17, 2022
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

AN ACT concerning

Homeowners’ Property Tax Credit – Eligibility and Calculation – Alterations

FOR the purpose of altering the calculation of a certain homeowners’ property tax credit; altering certain limitations on eligibility for the credit based on a homeowner’s net worth and combined gross income; and generally relating to the homeowners’ property tax credit.

BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 9–104(a)(1)
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 9–104(a)(14), (e)(1), (g), and (j)(1)
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)

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

Article – Tax – Property

9–104.

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

(14) (i) “Total real property tax” means the product of the sum of all property tax rates on real property, including special district tax rates, for the taxable year on a dwelling, multiplied by the lesser of:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
1. [$300,000] $422,000; or

2. the assessed value of the dwelling reduced by the amount of any assessment on which a property tax credit is granted under § 9–105 of this subtitle.

(ii) “Total real property tax” does not include any adjustment for any other property tax credit under this title claimed against the property tax imposed on the dwelling.

(e) (1) On or before May 1 of each year, the Department shall provide the Comptroller information identifying owners of residential properties with an assessed value not exceeding [$300,000] $422,000 who, during the preceding 3 years, failed to claim the property tax credit under this section.

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

(2) The percentage is:

(i) 0% of the 1st [$8,000] $11,500 of combined income;

(ii) 4% of the next [$4,000] $5,500 of combined income;

(iii) 6.5% of the next [$4,000] $5,500 of combined income; and

(iv) 9% of the combined income over [$16,000] $22,500.

(j) (1) A property tax credit under this section may not be granted to a homeowner whose combined net worth exceeds [$200,000] $438,000 as of December 31 of the calendar year that precedes the year in which the homeowner applies for the property tax credit or whose combined gross income exceeds [$60,000] $85,000 in that same calendar year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.