

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1416
Ways and Means

(Charles County Delegation)

Budget and Taxation

Charles County - Property Tax - Credit for Volunteer Emergency Responders

This bill authorizes Charles County to grant a property tax credit for real property owned and occupied as the principal residence of an emergency responder or an unmarried surviving spouse of a deceased emergency responder. Charles County may provide for: (1) the amount and duration of the property tax credit; (2) additional eligibility criteria for the property tax credit; and (3) any other provision necessary to implement the property tax credit. An emergency responder is an individual who is an active or retired volunteer member of a fire, rescue, or emergency medical services company in Charles County. **The bill takes effect June 1, 2022, and applies to taxable years beginning after June 30, 2022.**

Fiscal Summary

State Effect: None.

Local Effect: Charles County property tax revenues decrease by approximately \$416,000 annually beginning in FY 2023 to the extent the property tax credit is granted. County expenditures may increase by \$70,800 beginning in FY 2023 to the extent the property tax credit is granted.

Small Business Effect: None.

Analysis

Current Law: Chapter 686 of 2017 authorized county and municipal governments to grant a property tax credit for dwellings owned by specified public safety officers. Chapter 654 of 2018 altered the calculation of the property tax credit by specifying that the

tax credit may not exceed the lesser of \$2,500 or the amount of property tax imposed on the dwelling. Chapters 239 and 240 of 2019 altered the eligibility criteria for the property tax credit by adding volunteer emergency medical technicians to the definition of public safety officers that are eligible recipients of the property tax credit.

Local Revenues: Charles County property tax revenues decrease by approximately \$416,000 annually beginning in fiscal 2023, to the extent the property tax credit is granted. The estimate is based on the following:

- 1,442 eligible emergency responders in the county;
- 75% of emergency responders live within the county;
- 76.9% of emergency responders are homeowners; and
- Charles County grants a \$500 property tax credit.

Local Expenditures: Charles County expenditures may increase by approximately \$70,800 beginning in fiscal 2023, to the extent the property tax credit is granted, to hire one additional staff person in the County Treasurer's Office to administer the property tax credit.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Charles County; State Department of Assessments and Taxation; Department of Legislative Services

Fiscal Note History: First Reader - March 11, 2022
fnu2/hlb Third Reader - March 21, 2022

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