

Chapter 528

(Senate Bill 826)

AN ACT concerning

Homeowners' Property Tax Credit – Qualified Homeowner – Application and Certification Requirements

FOR the purpose of altering the application requirements for the homeowners' property tax credit to allow homeowners with certain types of income to file an application in certain years, subject to a certain certification requirement; and generally relating to the homeowners' property tax credit.

BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 9–104(a)(1) and (8)
Annotated Code of Maryland
(2019 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 9–104(l)
Annotated Code of Maryland
(2019 Replacement Volume and 2022 Supplement)

BY adding to
Article – Tax – Property
Section 9–104(v)
Annotated Code of Maryland
(2019 Replacement Volume and 2022 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.

(8) (i) “Gross income” means the total income from all sources for the calendar year that immediately precedes the taxable year, whether or not the income is included in the definition of gross income for federal or State tax purposes.

(ii) “Gross income” includes:

- Retirement Act;
1. any benefit under the Social Security Act or the Railroad Retirement Act;
 2. the aggregate of gifts over \$300;
 3. alimony;
 4. support money;
 5. any nontaxable strike benefit;
 6. public assistance received in a cash grant;
 7. a pension;
 8. an annuity;
 9. any unemployment insurance benefit;
 10. any workers' compensation benefit;
 11. the net income received from a business, rental, or other endeavor;
 12. any withdrawal, payment, or distribution from an individual retirement account;
 13. any withdrawal, payment, or distribution from any qualified retirement savings plan; and
 14. any rent on the dwelling, including the rent from a room or apartment.
- (iii) "Gross income" does not include:
1. any income tax refund received from the State or federal government; or
 2. any loss from business, rental, or other endeavor.

(l) (1) On or before the February 15 that precedes the taxable year in which the property tax credit under this section is sought, the Department shall make available that year's property tax credit application form.

(2) Except as provided in subsections (m) [and], (u), AND (V) of this section, on or before October 1 of the taxable year in which the property tax credit under this section

is sought, a homeowner may apply to the Department for a property tax credit under this section. The application shall be made on the form that the Department provides.

(3) (i) For good cause, the Department may accept an application after October 1 but on or before October 31 of the taxable year.

(ii) The Department shall notify the homeowner in writing of its acceptance or rejection of a late application.

(4) The homeowner shall state under oath that the facts in the application are true.

(5) To substantiate the application, the applicant may be required to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(V) (1) IN THIS SUBSECTION, “QUALIFIED HOMEOWNER” MEANS A HOMEOWNER WHOSE GROSS INCOME INCLUDES INCOME ONLY FROM THE FOLLOWING SOURCES:

(I) ANY BENEFIT UNDER THE SOCIAL SECURITY ACT;

(II) A PENSION; OR

(III) AN ANNUITY.

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, ~~FOR A QUALIFIED HOMEOWNER ELIGIBLE FOR THE PROPERTY TAX CREDIT UNDER THIS SECTION, THE APPLICATION REQUIRED UNDER SUBSECTION (L) OF THIS SECTION NEED BE SUBMITTED ONLY EVERY THIRD YEAR AFTER THE YEAR IN WHICH THE QUALIFIED HOMEOWNER FIRST APPLIES FOR THE CREDIT UNDER THIS SECTION~~ TO BE ELIGIBLE FOR THE PROPERTY TAX CREDIT UNDER THIS SECTION, A QUALIFIED HOMEOWNER IS REQUIRED TO SUBMIT THE APPLICATION UNDER SUBSECTION (L) OF THIS SECTION ONLY IN:

1. THE FIRST YEAR THE QUALIFIED HOMEOWNER APPLIES FOR THE CREDIT; AND

2. EVERY THIRD YEAR THEREAFTER.

(II) FOR ANY YEAR IN WHICH THE APPLICATION UNDER SUBSECTION (L) OF THIS SECTION IS NOT REQUIRED, ~~THE~~ TO BE ELIGIBLE FOR THE PROPERTY TAX CREDIT UNDER THIS SECTION, A QUALIFIED HOMEOWNER SHALL CERTIFY TO THE DEPARTMENT THAT THE GROSS INCOME INFORMATION PROVIDED

~~IN THE APPLICATION UNDER SUBSECTION (L) OF THIS SECTION HAS NOT CHANGED.~~
SUBMIT TO THE DEPARTMENT EITHER:

1. A CERTIFICATION THAT:

A. THE HOMEOWNER RESIDED IN THE DWELLING FOR AT LEAST 6 MONTHS IN THE PRECEDING CALENDAR YEAR;

B. THE HOMEOWNER CONTINUED TO HAVE INCOME ONLY FROM SOCIAL SECURITY, A PENSION, OR AN ANNUITY IN THE PRECEDING CALENDAR YEAR; AND

C. THE INDIVIDUALS LIVING IN THE HOMEOWNER'S HOUSEHOLD DID NOT CHANGE IN THE PRECEDING CALENDAR YEAR; OR

2. THE APPLICATION UNDER SUBSECTION (L) OF THIS SECTION.

(III) A QUALIFIED HOMEOWNER WHO SUBMITS A CERTIFICATION UNDER SUBPARAGRAPH (II)1 OF THIS PARAGRAPH MAY NOT BE REQUIRED TO SUBMIT ANY PROOF OF INCOME IN ADDITION TO THE CERTIFICATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2023, and shall be applicable to all taxable years beginning after June 30, 2023.

Approved by the Governor, May 8, 2023.