SENATE BILL 286

Q1

(4lr0013)

ENROLLED BILL

- Budget and Taxation/Ways and Means -

Introduced by Chair, Budget and Taxation Committee (By Request – Departmental – Assessments and Taxation)

Read and Examined by Proofreaders:

	Proofreader.
	Proofreader.
	Sealed with the Great Seal and presented to the Governor, for his approval this
	day of at o'clock,M.
	President.
	CHAPTER
1	AN ACT concerning
2	Homeowners' Property Tax Credit – Application Filing Deadline – Extension for
3	Homeowner Protection Program Enrollees
4	<u>Homeowners' and Homestead Property Tax Credits – Application Filing</u>
5	<u>Deadline – Extension</u>
6 7	FOR the purpose of authorizing the State Department of Assessments and Taxation to accept an application for the homeowners' property tax credit submitted by a certain
8	homeowner within a certain period of time if the homeowner is enrolled in the
9 10	Homeowner Protection Program; altering the number of taxable years a homeowner may be retroactively qualified by the Department for the homestead property tax
10	eredit; providing for the calculation of the homestead property tax credit for certain
11	<u>homeowners under certain circumstances</u> ; and generally relating to the homeowners'
13	and homestead property tax credit <u>credits</u> .

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



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$ \begin{array}{c} 1 \\ 2 \\ 3 \\ 4 \\ 5 \end{array} $	BY repealing and reenacting, with amendments, Article – Tax – Property Section 9–104(u) <u>and 9–105(d)(7)</u> Annotated Code of Maryland (2019 Replacement Volume and 2023 Supplement)
$ \begin{array}{c} 6 \\ 7 \\ 8 \\ 9 \\ 10 \end{array} $	<u>BY adding to</u> <u>Article – Tax – Property</u> <u>Section 9–105(d)(8)</u> <u>Annotated Code of Maryland</u> (2019 Replacement Volume and 2023 Supplement)
$\begin{array}{c} 11 \\ 12 \end{array}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
13	Article – Tax – Property
14	9–104.
$\begin{array}{c} 15\\ 16\end{array}$	(u) (1) Under the conditions set forth in this subsection, the Department may accept an application from a homeowner within:
17 18	(i) 1 year after April 15 of the taxable year for which the property tax credit under this section is sought, if the homeowner:
19	1. is applying for the first time; or
20 21 22	2. has filed an application on or before October 1 in each of the 3 taxable years immediately preceding the taxable year for which the credit is sought; or
$\begin{array}{c} 23\\ 24 \end{array}$	(ii) 3 years after April 15 of the taxable year for which a credit is sought, if the homeowner IS:
$\frac{25}{26}$	1. A. [is] at least 70 years old as of the taxable year for which a credit is sought; [and] OR
27 28 29	B. ENROLLED IN THE HOMEOWNER PROTECTION PROGRAM ESTABLISHED UNDER TITLE 14, SUBTITLE 8, PART VII OF THIS ARTICLE; AND
$\begin{array}{c} 30\\ 31 \end{array}$	2. was eligible for the credit under this section for the taxable year for which the credit is sought.
32 33	(2) A homeowner may apply to the Department for a property tax credit under this section by filing an application on the form that the Department provides.

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1 (3) The homeowner shall state under oath that the facts in the application 2 are true.

3 (4) To substantiate the application, the Department may require the 4 homeowner to provide a copy of an income tax return, or other evidence detailing gross 5 income or net worth.

6 (5) On certification by the Department, the Comptroller shall pay to the 7 homeowner the property tax credit due under this section.

8 <u>SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read</u>
 9 <u>as follows:</u>

10

<u> Article – Tax – Property</u>

11 <u>9–105.</u>

12 If a homeowner submits an application to the Department under this (d) (7)section and the Department determines that the homeowner was eligible for the credit in 13**Ithel A** prior taxable year but failed to file an application for the credit as required under 14 15this subsection: 16 the homeowner shall be retroactively qualified for the (i) Homestead Property Tax Credit Program for [the] UP TO 2 prior taxable [vear] YEARS: 1718 and 19 the Department shall calculate the [prior year's] taxable (iii) s if the credit had been granted for [the] UP TO 2 prior taxable [year] YEARS. 20 21*9–105*. 22(8) *(I)* THIS PARAGRAPH SHALL BE INTERPRETED BROADLY TO (d)23**APPLY TO ANY HOMEOWNER WHO:** 241. IS AT LEAST 70 YEARS OF AGE; 252. WAS ELIGIBLE FOR THE CREDIT IN THE PRIOR 26TAXABLE YEAR BUT FAILED TO FILE AN APPLICATION FOR THE CREDIT; AND 273. APPLIES FOR A CREDIT FOR THE CURRENT TAXABLE 28YEAR. 29FOR HOMEOWNERS THAT MEET THE CRITERIA UNDER *(II)* SUBPARAGRAPH (I) OF THIS PARAGRAPH. THE DEPARTMENT SHALL CALCULATE THE 30

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1	CURRENT YEAR'S TAXABLE ASSESSMENT AS IF THE CREDIT HAD BEEN GRANTED FOR
2	THE PRIOR TAXABLE YEAR.
3	(III) <u>A HOMEOWNER WHO MEETS THE CRITERIA UNDER</u>
4	SUBPARAGRAPH (I) OF THIS PARAGRAPH IS NOT DUE A REIMBURSEMENT OF
5	<u>PROPERTY TAXES PAID IN PRIOR TAXABLE YEARS.</u>
6	SECTION 2. AND BE IT FURTHER ENACTED, That:
$\overline{7}$	(a) Notwithstanding any other provision in § $9-105$ of the Tax – Property Article
8	as enacted under Section 1 of this Act, this Section shall be interpreted broadly to apply to
9	any homeowner, as defined under § 9–105 of the Tax – Property Article, who:
10	(1) is at least 70 years of age;
11 19	(2) was eligible for the homestead credit in the second prior taxable year but failed to file an application for the credit; and
12	<u>failed to file an application for the creati; and</u>
13	(3) on or before May 31, 2025, applies for a credit for the current taxable
14	year.
15	(b) For homeowners that meet the criteria under subsection (a) of this section, the
16	State Department of Assessments and Taxation shall calculate the current year's taxable
17	assessment as if the credit had been granted for the two prior taxable years.
18	(c) <u>A homeowner who meets the criteria of this Section is not due a reimbursement</u>
19	of property taxes paid in prior taxable years.
10	
20	SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be
21	<u>applicable to all taxable years beginning after June 30, 2024.</u>
22	SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be
23	<u>applicable to all taxable years beginning after June 30, 2022.</u>
24	SECTION 2. 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
$\frac{24}{25}$	June 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.
26 26	Section 2 of this Act shall remain effective for a period of 1 year and 1 month and, at the end
$\overline{27}$	of June 30, 2025, Section 2 of this Act, with no further action required by the General
28	Assembly, shall be abrogated and of no further force and effect.