

Department of Legislative Services

Maryland General Assembly

2025 Session

FISCAL AND POLICY NOTE

Third Reader

Senate Bill 178

(Senator Simonaire, *et al.*)

Budget and Taxation

Ways and Means

Anne Arundel County - Property Tax Credit - Habitat for Humanity of the Chesapeake, Incorporated

This bill alters the name of Arundel Habitat for Humanity to the Habitat for Humanity of the Chesapeake for purposes of an optional Anne Arundel County and municipal property tax credit. **The bill takes effect June 1, 2025, and applies to taxable years beginning after June 30, 2025.**

Fiscal Summary

State Effect: None.

Local Effect: Anne Arundel County and municipal property tax revenues decrease to the extent that property owners qualify for the property tax credit. County and municipal expenditures are not affected.

Small Business Effect: Minimal.

Analysis

Current Law: Anne Arundel County and municipalities in the county are authorized to grant a property tax credit for real property owned by Arundel Habitat for Humanity.

In addition, Section 9-252 of the Tax – Property Article authorizes counties and municipalities to provide a property tax credit for real property that is (1) owned by Habitat for Humanity with the intention of relinquishing ownership in the near future; (2) used for

the purposes of development, rehabilitation, and transfer to a private owner; and (3) not occupied by administrative or warehouse buildings owned by Habitat for Humanity.

Local Fiscal Effect: Anne Arundel County and municipal property tax revenues decrease to the extent specified property owners qualify for the property tax credit. The amount of the revenue decrease depends on assessed value of eligible property and amount of the property tax credit established by the county and/or municipality.

For fiscal 2023 and 2024, no State property tax credits were claimed. Anne Arundel County reports that the county did not provide any county property tax credits in fiscal 2023 or 2024.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 447 (Delegate Chisholm) - Ways and Means.

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

Fiscal Note History: First Reader - January 14, 2025
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Analysis by: Michael Sanelli

Direct Inquiries to:
(410) 946-5510
(301) 970-5510