

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1302
Ways and Means

(Delegate Hornberger, *et al.*)

Property Tax Credit - Disabled Public Safety and Judicial Officers, Surviving
Spouses, and Cohabitants - Eligibility

This bill alters the eligibility criteria for a local option property tax credit for disabled public safety and judicial officers, surviving spouses, and cohabitants by repealing the five-year residency requirement for certain individuals to be eligible for the tax credit. **The bill takes effect June 1, 2026, and applies to taxable years beginning after June 30, 2026.**

Fiscal Summary

State Effect: None.

Local Effect: Local property tax revenues may decrease beginning in FY 2027 to the extent that local jurisdictions grant the property tax credit and the changes to existing eligibility requirements result in additional individuals becoming eligible for the property tax credit. Local expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: Local governments are authorized to grant a property tax credit for a dwelling owned by (1) a disabled public safety or judicial officer; (2) a surviving spouse of a fallen public safety or judicial officer; or (3) a cohabitant, provided specified conditions are met. Public safety officer includes a correctional officer, a law enforcement officer, or a member of a fire, rescue, or emergency medical service.

There are three basic ways to become eligible for the property tax credit: (1) the dwelling was owned by the disabled public safety or judicial officer at the time that the individual

was adjudged to be permanently and totally disabled or at the time of their death; (2) the eligible disabled public safety or judicial officer, surviving spouse, or cohabitant was domiciled in the State within 5 years prior to the date the officer was adjudged to be permanently and totally disabled or within 5 years prior to the officer's death, and the dwelling was acquired by the officer, surviving spouse, or cohabitant within 10 years of the date the officer was adjudged to be permanently and totally disabled, or the death of the officer; or (3) the dwelling was owned by the surviving spouse or cohabitant at the time of the public safety or judicial officer's death.

Local Fiscal Effect: Local property tax revenues may decrease beginning in fiscal 2027 to the extent that local jurisdictions grant the property tax credit, and the changes to existing eligibility requirements result in additional individuals becoming eligible for the property tax credit. The amount of the decrease depends on the number of eligible taxpayers and the assessed value of each residential property that is eligible for the property tax credit, neither of which can be reliably estimated at this time.

At present, Baltimore City and the following 14 counties have authorized the property tax credit – Anne Arundel, Baltimore, Calvert, Carroll, Cecil, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, St. Mary's, and Wicomico.

Additional information on local property tax credits and exemptions is provided in the [Guide to Local Government Taxing Authority](#). Information on local property tax rates and revenues can be found in the [County Revenue Outlook Report](#). A copy of both reports is available on the Department of Legislative Services [website](#).

Additional Information

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

Designated Cross File: None.

Information Source(s): Maryland Association of Counties; Maryland Municipal League; State Department of Assessments and Taxation; Department of Legislative Services

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