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**TESTIMONY IN SUPPORT OF HB1175
PROPERTY TAX CREDIT FOR DISABLED VETERANS – ESTABLISHED**

Ways & Means Committee
March 2, 2021

Chair Kaiser, Vice-Chair Washington and Members of the Committee,

Thank you for the opportunity to testify before you on HB1175, Property Tax Credit for Disabled Veterans Act of 2021.

The purpose of this bill is to establish a property tax credit system that allows disabled veterans to receive property tax credits on their home that correlates to their level of permanent disability. Currently under state law we are operating on an absolute basis, under which a disabled veteran in Maryland may receive a full property tax exemption on their primary residence if the veteran is 100% disabled as a result of service. While this is extremely beneficial for fully disabled veterans it does not offer any protections for veterans who suffer from less than 100% disability. This bill would allow disabled veterans to receive property tax credits for their homes that parallel with their disability percentage. For example a veteran who is 50% disabled would receive a 50% property tax credit for their home.

Since this tax credit system is already established for 100% disabled veterans we do not need to create a completely new system. We just need to create a scale for the tax credits rather than solely operating on an absolute basis.

Washington County has already implemented this legislation on a local level under its 2018 Ordinance. According to the Washington County Treasurer's office, there are 229 participants enrolled in the 0-100 percent Disabled Veterans Tax Credit program. Washington County anticipates a FY-22 reduction to revenue of \$321,140.00 as a result of this program. HB1175 makes this legislation statewide. According to the Maryland Department of Veterans Affairs, there are 83,730 disabled veterans currently residing Maryland. In 2019, there were 90,276 disabled veterans. Of those veterans,

- 24.28% have a 0-20 percent disability rating
- 16.81% have a 30-40 percent disability rating
- 15.39% have a 50-60 percent disability rating

- 26.88% have a 70-90 percent disability rating
- 16.64% have a 100 percent disability rating.

As this committee is aware, I am a U.S. Army Veteran who had the honor of serving our country in the Vietnam War. Like many of my comrades, I too have been afflicted by some of the hazards of war. Agent Orange is a defoliant that was used to remove leaves from trees and plants. The herbicide was heavily sprayed for tactical use from 1961 to 1971. It subjected several troops to numerous complications, including cancer.

While I commend the State in their current statutes that recognize and support 100% disabled veterans, we cannot neglect all of our other disabled veterans. HB1175 rectifies that gap. Maryland residents whose military service resulted in some level of disability should be able to find comfort in the fact that the state of Maryland will lend a helping hand. The life of a disabled veteran is hard enough without having to worry about whether or not they'll be able to afford the roof over their heads. As a state delegate it is my responsibility to advocate for all of my constituents, including those disabled in service.

For these reasons, I am requesting a favorable report.

With kindest regards,

Benjamin Brooks

Delegate Brooks,

I am writing to you in support of MD HB1175. As a disabled veteran, whom was not awarded 100% disability until 5 years after my initial rating, I feel it would have been beneficial to me for this law to have been in effect. My family struggled financially for our first 3 years living in MD and would have greatly benefited from this law. Please let me know if there is anything that I can do to help further this bill.

Thanks,

Bill O'Brien

IT Specialist (Software Development)

OCTO/Digital Services

Hello Delegate Brooks,

I am writing in support of HB1175, providing property tax relief for Veterans with a disability rating from the Veterans Administration.

Disabled Veterans continue to contribute positively to the State's economy by bringing their military acquired skills and work ethic into the civilian sector. Maryland's consistently high property taxes, however, frequently result in Veterans leaving Maryland for states providing tax relief, a decision that I currently face.

The immediate effect of an exodus of Veterans to Maryland is the loss of tax revenue and a decreased infusion of money into the local economy because of a declining need for local goods and services. The secondary and tertiary effects include Veteran support services such as the VA moving resources to states with high density Veteran populations which may result in a loss of those support jobs to other states.

I strongly encourage the Maryland General Assembly to pass House Bill 1175 and keep our valuable Disabled Veteran community in Maryland.

Sincerely,

James Shelley

Colonel (Retired), US Army

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