



Maryland Consumer Rights Coalition

Testimony to the House Ways and Means Committee

HB 158: Homeowners Property Tax Credit-Calculations & Refunds

Position: Support

January 26, 2021

The Honorable Anne Kaiser, Chair
House Ways & Means Committee
Room 131, HOB
Annapolis, MD 21401
cc: Members, Ways & Means Committee

Chair Kaiser and Members of the Committee:

My name is Marceline White and I'm the executive director of the Maryland Consumer Rights Coalition (MCRC). MCRC is a statewide coalition of individuals and organizations that advances economic rights and financial inclusion for Maryland consumers through research, education, direct service, organizing, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in support of HB158.

For the past five years, MCRC has helped homeowners, particularly older adults, apply for the Homeowners Property Tax Credit (HOTC). We have spearheaded marketing campaigns, trained financial and housing counselors, VITA staff, and legal service providers on how to assist homeowners in applying for the tax credit and served as a sounding board when colleagues ran into trouble with the application process. In Baltimore, we have been able to help homeowners avert a tax-sale foreclosure because of these tax credits. In 2020, we returned, \$136,360 to financially fragile families.

HB158 addresses the findings in the OLA October 2020 audit which found that SDAT *"did not ensure HTC's were properly calculated. As a result, HTC's awarded to thousands of homeowners in certain jurisdictions were improperly reduced by at least \$4.4 million in fiscal year 2019"*.

HB158 prohibits SDAT from deducting other tax credits from applicants' total property tax liabilities, which reduced the amount of HOTC tax credit eligible applicants received. Our work shows us how critically important this asset is to many households, particularly older adults, and HB158 will help to ensure that these credits are calculated properly going forward and that eligible applicants will receive the correct amount.

Marceline White
Executive Director