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*The Maryland House of Delegates*  
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**Sponsor Testimony in SUPPORT of House Bill 158**

***Property Tax — Homeowners' Property Tax Credit — Calculation and Refunds***

**Before the Ways & Means Committee**

**January 26, 2021**

This bill clarifies that other property tax credits claimed under the Tax-Property Article are not subtracted in the calculation of the Homeowners' Tax Credit. It also allows the State Department of Taxation and Assessment to calculate any additional State Homeowners' Tax Credits owed to property owners for the current and previous three tax years.

As a result of a whistleblower complaint, the Office of Legislative Audits determined that Homeowners' Tax Credit was being improperly calculated in Baltimore City and Montgomery County. Pursuant to this finding, the State Department of Assessments and Taxation have made pro-active changes to the calculation of the State Homeowners' Tax Credit. This legislation codifies the calculation changes which the Department have implemented and allows for a refund to property owners who were adversely affected by the erroneous calculation.

The State Homeowners' Tax Credit is an important tool that Maryland uses to help lower income property owners, regardless of age, to pay their property taxes.

My amendment clarifies the role of the Department of Assessments and Taxation. It requires the Department to calculate any additional credits owed to a property owner rather than calculate the amount of any refund. While the Department calculates the credits, the billing and collection of property taxes are done by the Counties and Baltimore City.

I respectfully ask for a **FAVORABLE** report on House Bill 158.