



**Testimony SB 153
Budget & Taxation Committee
February 12, 2021**

The Community Development Network of Maryland (CDN) is the voice for Maryland’s community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland’s urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

CDN has been part of the ongoing work to reform the process of tax sale in the state since 2016. In 2017, CDN was a lead partner in the Task Force to Study Tax Sales in Maryland.

SB 153 Alters eligibility for the homeowners’ property tax credit by excluding from the definition of “gross income” certain medical and elder care expenses incurred by the homeowner; and generally relating to the homeowners’ property tax credit.

The homeowners’ tax credit is the most effective strategy in Maryland to remove low-income households facing tax sale. Any effort to increase access to the homeowners’ credit complements the effort to reform tax sale. This gross income definition is critical for older adults in Maryland and would divert many vulnerable homeowners from losing their most important asset.

Hundreds of homeowners have lost their homes to sales of liens on unpaid local taxes over the last twenty years. Tax-debt sales enable powerful, wealthy, corporate actors to use the law to bully and exploit the state’s most vulnerable residents. The majority of these homeowners are black in Maryland.

We urge your favorable report

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network