



Maryland Consumer Rights Coalition

**Testimony to the Senate Finance Committee
SB 809 - Homeowners Tax Credit-Easy Application and Automatic Enrollment
Position: Favorable**

March 7, 2022

The Honorable Delores Kelley, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Senate Finance Committee

Honorable Chair Kelley and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances financial justice and economic inclusion for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing today in support of SB 809.

For the past six years, MCRC's SOAR (Securing Older Adult Resources) program offers comprehensive financial capabilities work has led efforts to promote the Homeowners' Tax Credit. We extensively market the program, train service providers, VITA staff, and others how to screen for it, and partner with older-adult, legal services, and financial providers to increase the number of applicants each year. In 2021, MCRC returned \$86,745.07 in tax credits to financially fragile older adults.

However, despite this large initiative to help Maryland homeowners apply for the Homeowners' Tax Credit, some residents are unable to apply on time. For example, some homeowners hear of the Homeowner's Tax Credit program only once they have entered into the tax sale process. Increasing property taxes can be devastating to Maryland homeowners. Of those who enter tax sale, three-quarters are seniors and have household incomes of less than \$30,000 and nearly half are disabled, while a majority identify as Black.¹ Often those in tax sale also own their homes outright,

¹ City Targets Elderly Homeowners For Property Tax Credit Outreach.
<https://www.wypr.org/2021-09-07/city-targets-elderly-homeowners-for-property-tax-credit-outreach>



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having already paid off their mortgages. Other residents simply may not have been able to keep up with their taxes once the COVID-19 pandemic began and their businesses began closing.²

In addition, Maryland residents who have successfully applied on time in the past may experience a medical or financial hardship and as a result could miss the deadline. The COVID-19 pandemic has had a significant financial impact on older adults; history shows us that adults 60 and older experience a large decrease in total net wealth and an increase in debts, particularly property related debt, and experience significant increases in poverty status post-recession.³

SB 809 addresses many of the issues that our seniors experience by making the application and enrollment process much easier-and in many cases, automatic for our older adults and alleviate the burden of having to manage paperwork and forms to re-enroll annually.

For all these reasons, we support SB 809 and ask for a favorable report.

Best,

Marceline White
Executive Director

² Activists Plead Scott To Follow Promise To Remove Some Homeowners From Tax Sale.

<https://www.wypr.org/wypr-news/2021-04-30/activists-plead-scott-to-follow-promise-to-remove-some-homeowners-from-tax-sale>

³ Economic Insecurity for Older Adults in the Presence of the COVID-19 Pandemic.

<https://www.ncoa.org/article/economic-insecurity-for-older-adults-in-the-presence-of-the-covid-19-pandemic>