

# **HB 1186**

Uploaded by: Barry Glassman

Position: FAV



# BARRY GLASSMAN

HARFORD COUNTY EXECUTIVE

February 25, 2022

The Honorable Vanessa E. Atterbary  
Chair, House Ways and Means Committee  
Room 131 House Office Building  
Annapolis, MD 21401

**RE: HB 1186 – Property Tax Credit – Elderly Individuals, Veterans, and Surviving Spouses –  
Alteration of Duration – SUPPORT**

Dear Madam Chair:

Thank you for allowing me the opportunity to express my **SUPPORT** for **HB 1186 – Property Tax Credit – Elderly Individuals, Veterans, and Surviving Spouses – Alteration of Duration.**

As presented, this legislation would allow Baltimore City, a County, or a Municipality to extend – from the current 5 years to 10 years – the duration of a property tax credit offered by that jurisdiction to any of their respective residents who are at least age 65, a veteran or active duty member of the United States military, a surviving spouse of a veteran who has not remarried, and/or an eligible veteran with a service-connected disability (and who meet the criteria as set forth under the Maryland Property Tax Article and their respective local government Code or Charter).

Our Administration was one of the first to implement this program when it was put in place four years ago. Under this program, we have been able to provide some financial relief to a number of our senior citizens and our veterans. This year alone, 3,767 of our residents will be receiving this credit (at an average benefit of \$500). Absent this extension, however, this program will reach its current five-year limit and no longer be available for approximately 2,500 of those residents.

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Your **FAVORABLE** vote on this legislation will help extend this program for those eligible citizens who clearly benefit from this tax credit. It is but a small sacrifice we can make for those who through their years of dedicated service to our Country and to our communities have given us so much more.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Barry Glassman', written in a cursive style.

Barry Glassman  
Harford County Executive

**2022 Testimony-Reilly- HB 1186.pdf**

Uploaded by: Teresa Reilly

Position: FAV

**TERESA E. REILLY**  
*Legislative District 35B*  
Cecil and Harford Counties

Health and Government  
Operations Committee

Rules and Executive  
Nominations Committee

*Subcommittees*

Health Occupations and  
Long Term Care

Public Health and  
Minority Disparities

*Chair*

Harford County House Delegation



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**THE MARYLAND HOUSE OF DELEGATES**  
**ANNAPOLIS, MARYLAND 21401**

**HB 1186 Property Tax Credit-Elderly Individuals, Veterans, and Surviving Spouses-Alteration of  
Duration  
House Ways and Means Committee  
March 1, 2022**

Chair Atterbeary, Vice Chair Washington and members of the House Ways and Means Committee:

HB 1186 alters the number of years that local governments may grant a property tax credit for certain elderly individuals, veterans, or surviving spouses by extending the duration of the tax credit from a period of 5 years to up to 10 years. The amount of the tax credit may not exceed 20% of the county or municipal property tax imposed on the property.

This bill extends the property tax credit that was passed in 2016 for qualifying individuals including those 65 and over that have lived in the same house for a minimum of 40 years; retired member of the uniformed services of the United States that are at least 65 years old, a surviving spouse at least 65 years old of that uniformed service member that remains unmarried; an active duty, retired, or honorable discharged member of the uniformed services with a service-connected disability, or that member's unmarried surviving spouse.

I respectfully ask for a favorable report from the committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Teresa E. Reilly".

Delegate Teresa E. Reilly  
District 35 B, Cecil and Harford Counties



**2022-Highlighted-AG Opinion-Property Tax Credit.pd**

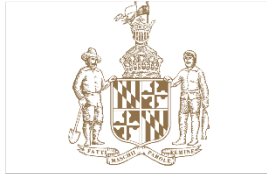
Uploaded by: Teresa Reilly

Position: FAV

BRIAN E. FROSH  
ATTORNEY GENERAL

ELIZABETH F. HARRIS  
CHIEF DEPUTY ATTORNEY GENERAL

CAROLYN A. QUATTROCKI  
DEPUTY ATTORNEY GENERAL



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ASSISTANT ATTORNEY GENERAL

DAVID W. STAMPER  
ASSISTANT ATTORNEY GENERAL

November 2, 2021

The Honorable Teresa E. Reilly  
203 Lowe House Office Building  
Annapolis, Maryland 21401-1991

Dear Delegate Reilly:

You have asked for advice concerning Tax-Property Article (“TP”), § 9-258. Specifically, you have asked whether the five year limit found in this section means that the section sunsets five years after its adoption or that the property tax credit can only be applied to a given property for five years. It is my view that the latter is the proper reading.

Tax-Property Article, § 9-258 was enacted by Chapter 498 (House Bill 898) of 2016. It authorizes the City of Baltimore or the governing body of a county or municipal corporation to grant a property tax credit against the county or municipal corporation property tax imposed on the dwelling of an individual who is at least 65 years old and has either lived in the dwelling for at least the preceding 40 years or is a retired member of the armed forces of the United States. The property tax credit may be granted for a period of up to 5 years. TP § 9-258(c). Section 2 of the bill reflects that it “shall take effect June 1, 2016 and shall be applicable to *all taxable years* beginning after June 1, 2016.” (emphasis added).

It is my view that Section 2 of the bill makes clear that the authority to grant the property tax credit is applicable for all taxable years starting after June 1, 2016 until such time as the section is repealed by action of the General Assembly. It is also my view that the five year limit




The Honorable Teresa E. Reilly

November 2, 2021

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in TP § 9-258(c) does not place a limit on the authority of governmental bodies to grant the property tax generally, but rather to the length of time that a homeowner can qualify for the property tax credit.<sup>1</sup>

Sincerely,



Kathryn M. Rowe

Assistant Attorney General

KMR/kmr

reillyt02

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<sup>1</sup> This limitation was likely adopted to avoid violation of the uniformity clause of Maryland Declaration of Rights, Article 15, which requires property tax to be assessed uniformly. It is possible that a single renewal of the five years could be permissible, however, as Attorney General J. Joseph Curran, Jr. opined that a property tax credit was not in clear violation of the uniformity clause until it reached its tenth year. *72 Opinions of the Attorney General* 350, 354 (1987) citing Letter (House Bill 321) from Attorney General Sachs to Governor Hughes (May 20, 1985) (“[W]e will be unable to approve the extension of this program beyond the tenth [year] without an amendment to the Uniformity Clause.”).”

# **HB1186 Testimony 22 Session.pdf**

Uploaded by: Theresa Kuhns

Position: FAV



**House Bill 1186 – Property Tax – Elderly Individuals, Veterans and Surviving Spouses**

**Position: Favorable**

The Maryland REALTORS® supports HB 1186 which alters, from 5 to 10 years, the time period in which a property tax credit can be granted by local governments for elderly individuals, veteran and surviving spouses. We believe HB 1186 will help keep vulnerable owners in their home.

In a January 2022 survey by American Strategies on the Maryland Housing Market, 48 percent of Marylanders feel a strain on their budget as a result of the amount they pay in housing– up five points from 2022. One-in-five voters are now worried about missing a rent or mortgage payment in the next three months. Finally, seniors also face a challenge with 59 percent saying there is too little housing for older people who are looking to downsize or have special needs, including disabled veterans- which is up 8% since 2000.

According to the “Maryland Housing Needs Assessment and 10-Year Strategic Plan (Needs Assessment),” Maryland estimates that in 2030 more than half of all new households in Maryland will qualify as low-income. The expansion of property tax credits will assist those on every income level with meeting their housing needs.

For the above reasons, the REALTORS® recommend a favorable report.

**For more information contact [bill.castelli@mdrealtor.org](mailto:bill.castelli@mdrealtor.org),  
[susan.mitchell@mdrealtor.org](mailto:susan.mitchell@mdrealtor.org), [lisa.may@mdrealtor.org](mailto:lisa.may@mdrealtor.org) or  
[theresa.kuhns@mdrealtor.org](mailto:theresa.kuhns@mdrealtor.org)**

**HB1186-WM\_MACo\_SWA.pdf**

Uploaded by: Kevin Kinnally

Position: FWA



## House Bill 1186

### *Property Tax Credit – Elderly Individuals, Veterans, and Surviving Spouses – Alteration of Duration*

MACo Position: **SUPPORT**

To: Ways and Means Committee

**WITH AMENDMENTS**

Date: March 1, 2022

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1186 **WITH AMENDMENTS**. The bill alters eligibility criteria of an existing local option property tax credit for specified residents by extending the maximum duration of the credit from five to ten years.

**MACo requests amendments to grant counties broad flexibility to enact this credit by eliminating limitations on the duration and maximum value of the credit.**

MACo generally supports legislation that provides broad authority to enact tax incentives for revitalization and tax relief purposes, and welcomes the opportunity to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives. Counties prefer the approach offered by this optional property tax credit, as it provides local autonomy to determine the best way to provide these incentives, rather than those that mandate reductions in local revenue sources.

Under current law, local governments may authorize a property tax credit for older individuals, veterans, and surviving spouses. The maximum duration of the credit is five years, and the credit is limited to 20 percent of the total property tax. By eliminating these caps, each jurisdiction that chooses to enact the credit could tailor it to their specific community needs. Additionally, it would give each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits enabled by the bill.

As amended, HB 1186 would ensure local governments have flexibility in enacting local policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE WITH AMENDMENTS** report for HB 1186.