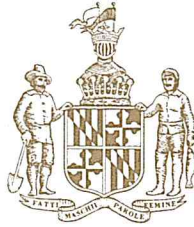


SB134JacksonTestimony.pdf

Uploaded by: Michael Jackson

Position: FAV

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Budget and Taxation Committee
Subcommittees
Chair, Pensions
Public Safety, Transportation, and
Environment

District Office
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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

TESTIMONY - SENATE BILL 134
PROPERTY TAX CREDIT FOR DISABLED VETERANS -
ESTABLISHED
BUDGET AND TAXATION COMMITTEE

JANUARY 19, 2023

Chair Guzzone, Vice Chair Rosapepe and Fellow Committee Members:

Senate Bill 134 is a very straightforward piece of legislation that establishes a property tax credit for disabled veterans equal to their service-connected disability rating.

The aim of this legislation is very plain – To provide an added benefit for Maryland veterans who suffer from disabilities related to their service. Presently 372,500 veterans reside in Maryland with 20% (approximately 74,500) of those veterans having some sort of service-connected disability rating.

While this legislation would likely come with a significant upfront fiscal impact, it would be a sign of good faith to show Maryland's disabled veterans their importance to the State and it could prove an invaluable added incentive for military retirees to stay in Maryland.

For the reasons listed above, I ask for a favorable report of Senate Bill 134.

MD Catholic Conference_FAV_SB0134.pdf

Uploaded by: MJ Kraska

Position: FAV



MARYLAND
CATHOLIC
CONFERENCE

January 19, 2023

SB 134

Property Tax Credit for Disabled Veterans – Established

Senate Budget & Taxation Committee

Position: Support

The Maryland Catholic Conference (“Conference”) represents the public policy interests of the three Roman Catholic (arch) dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

Senate Bill 134 requires the state, counties, and municipalities to grant a property tax credit for the property tax imposed on the dwelling house of a disabled veteran. The amount of the property tax credit is equal to the service-connected disability rating of the disabled veteran. The bill specifies application criteria that a disabled veteran must follow when applying for the property tax credit with the State Department of Assessments and Taxation (SDAT).

In a Pastoral Statement of U.S. Catholic Bishops on Persons with Disabilities it is stated *“Defense of the right to life, then, implies the defense of other rights that enable the disabled individual to achieve the fullest measure of personal development of which he or she is capable. These include the right to equal opportunity in education, in employment, in housing, as well as the right to free access to public accommodations, facilities, and services.”*

Senate Bill 134 seeks to address the respect for the dignity and physical integrity of the human person; working to protect and help the veterans and their families who have bravely fought and served our state and country. Veterans experiencing a service-related disability are among the most marginalized and underserved in our society. The Catholic Church through its parishes, charities, and other ministries reaches out pastorally to those struggling with physical or mental disabilities.

The Conference appreciates your consideration and, for these reasons, respectfully requests a **favorable** report on Senate Bill 134.

SB 134-FWA-MML.pdf

Uploaded by: Justin Fiore

Position: FWA



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

January 19, 2023

Committee: Senate Budget and Taxation

Bill: SB 134 - Property Tax Credit for Disabled Veterans - Established

Position: Favorable with Amendment

Reason for Position:

The Maryland Municipal League appreciates the intent behind Senate Bill 134, which seeks to expand property tax credits to disabled veterans in relation to their service-connected disability. Currently, only veterans with a 100% service-connected disability are exempt from state and local property tax. The League is asking for an amendment that changes the property tax credit in this legislation from mandatory to authorizing.

Municipalities in Maryland are significantly limited in the ways in which they can generate revenue, with property tax accounting for nearly 55% of general fund revenues on average. The League would much prefer an approach that grants local governments the flexibility to help their resident veterans while balancing the budget.

For these reasons, the Maryland Municipal League supports Senate Bill 134 with an amendment to make the tax credit authorizing and respectfully requests a favorable vote.

FOR MORE INFORMATION CONTACT:

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SB0134-BT_MACo_SWA.pdf

Uploaded by: Kevin Kinnally

Position: FWA



Senate Bill 134

Property Tax Credit for Disabled Veterans - Established

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Budget and Taxation Committee

Date: January 19, 2023

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS SB 134 WITH AMENDMENTS**. This bill would require local governments to grant, by law, a prescriptive property tax credit for specified disabled veterans and surviving spouses.

SB 134 is a significant unfunded mandate on county governments. A “local option amendment” would relieve that mandate and allow each jurisdiction to weigh these costs appropriately.

MACo generally supports legislation that provides local autonomy to determine the best way to provide tax incentives, rather than those that mandate reductions in local revenue sources. Mandated tax exemptions require counties to forego meaningful local revenues to support essential public services, even if the exemptions do not serve their best interests.

Under current law, veterans with a 100 percent service-connected disability and surviving spouses are exempt from state and local real property taxes. SB 134 would require local governments to grant a property tax credit equal to the percentage of a disabled veteran’s service-connected disability rating. This bill would drastically undermine county revenues and jeopardize limited local funds for public health, schools, public safety, roadway maintenance, and other essential public services.

In general, MACo stands for local self-determination. Counties, led by their elected leaders who are directly accountable within the community, are best positioned to make decisions on local affairs – ranging from land use to budget priorities.

As such, MACo urges amendments to authorize rather than mandate the property tax credit. This will allow each jurisdiction that chooses to enact the credit to tailor it to their specific community needs. Additionally, it gives each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits enabled by the bill.

Counties stand ready to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives but resist state-mandated changes that preclude local input. Accordingly, MACo urges the Committee to give a **FAVORABLE WITH AMENDMENTS** report on SB 134.

SB0134.docx.pdf

Uploaded by: Director Michael Higgs

Position: INFO

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



MICHAEL HIGGS
Director

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HEARING DATE: January 19, 2023

BILL: SB0134

TITLE: Property Tax Credit for Disabled Veterans - Established

SDAT POSITION: LETTER OF INFORMATION

The State Department of Assessments and Taxation (SDAT) offers the following letter of information for SB0134, a bill that would expand criteria for Veterans who can receive Property Tax Credits.

The Maryland Department of Veterans Affairs reported 90,090 veterans in Maryland having received VA disability compensation in 2021. Currently, SDAT records indicate there are 20,333 permanently 100% disabled veterans currently receiving a property tax exemption under Tax Property Article 7-208. SDAT anticipates that it would need to process 69,757 additional tax credit applications during the first year of the credit.

A large number of applications may need to be reviewed annually as the percentage of disability can change each year based on physical exams performed by the VA.

For these reasons, SDAT would like the committee to consider the information presented as it deliberates SB0134.