



JOHN A. OLSZEWSKI, JR.
County Executive

JENNIFER AIOSA
Director of Government Affairs

AMANDA KONTZ CARR
Legislative Officer

JOSHUA M. GREENBERG
Associate Director of Government Affairs

BILL NO.: **HB 404**

TITLE: Property Tax - Local Homeowners' Credit Supplement -
Limitation on Combined Gross Income

SPONSOR: Delegate Feldmark

COMMITTEE: Ways and Means

POSITION: **SUPPORT**

DATE: March 28, 2023

Baltimore County **SUPPORTS** House Bill 404 – Property Tax - Local Homeowners' Credit Supplement - Limitation on Combined Gross Income. This legislation would enable local jurisdictions to alter limitations on the combined gross income of a homeowner for the purposes of a local supplement to the homeowners' property tax credit.

Currently, residents may apply for the State Homeowner's Tax credit if they meet certain criteria, including having a combined gross income of less than \$60,000 in a year. The past few years have been difficult on many residents, often resulting in difficult decisions, like withdrawing funds from a retirement account, in order to manage a hardship. Unfortunately, if taking such a legal withdrawal results in the applicant's income exceeding \$60,000 under any circumstances, that applicant will be denied the State Homeowner's Tax Credit. The unfortunate net result of this policy is that vulnerable, otherwise-qualifying individuals have been allowed to slip through the cracks and miss out on critical State assistance as a direct result of having suffered a hardship.

In 2021, the State passed a similar piece of enabling legislation which applied only to Baltimore County. The County was excited for the opportunity to partner with the State to make sure vital assistance were reaching residents with the greatest need. However, when evaluating the bill's implementation, it became clear that the fiscal and logistical burden of administering the program could not be absorbed by existing staff. The County expressed concerns to this legislation's sponsor, and is pleased to see the bill amended to authorize Counties to supplement the State Homeowner's property tax credit. This will allow local jurisdictions to make sure applicants with the greatest need receive this vital credit despite exceeding the State income threshold. The County thanks the sponsor for incorporating these amendments.

Accordingly, Baltimore County requests a **FAVORABLE** report on HB 404. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.