



Testimony to the Senate Budget & Taxation Committee

HB0665: Comptroller and State Department of Assessments and Taxation - Enhancing Access to Property Tax Benefits

Position: Favorable

March 30, 2023

The Honorable Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, MD 21401
cc: Senate Budget and Taxation Committee

Chair Guzzone and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

We are in support of HB 665. For the past six years, Economic Action Maryland's SOAR (Securing Older Adult Resources) program has led efforts to promote the Homeowners' Tax Credit as well as the Renters' 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 2022, Economic Action Maryland returned \$88,243.42 in tax credits to financially fragile older adults. For renters who received tax credits, the average return was between \$300-\$500 annually. The Renters Tax Credit is available to renters who are low-income or permanently disabled, as well as to some households who meet other criteria.

In Baltimore, we have been able to help homeowners avert tax-sale foreclosure because of these tax credits. Recently, one of our applicants was awarded \$5,886.19 for three years of retroactive tax credits. He was able to use these credits to pay property taxes and some of his past due water bills, allowing him to stay in his home.

Many of those who will benefit from HB 665 are older adults. In 2017, 91,630 older Marylanders (7.56% of the total state 60+ population) lived in poverty as defined by the federal poverty guidelines. Minorities composed nearly half (49%) of the State's low income older adult population. While eviction moratoriums were implemented at the beginning of the pandemic, as these protections wane, many renters face housing insecurity. In 2021, 45% of our clients who are 60+ and seeking assistance through our tenants' rights program came to us with issues relating to eviction.

We stand in strong support of HB 665, which will require the Comptroller to work with SDAT to identify ways to expand access to property tax benefits for applicants and raise awareness of these credits. HB 665 requires these topics to be discussed and findings and recommendations to be reported to the General Assembly. Doing so will provide recommendations to consider to extend these benefits to more eligible Marylanders.

For all of these reasons, we support HB 665 and urge a favorable report.

Sincerely,

Isadora Stern
Policy Manager