



**MARYLAND
LEGAL AID**

Advancing
**Human Rights and
Justice for All**

03/29/23

House Bill 665

**Comptroller and State Department of Assessments and Taxation –
Enhancing Access to Property Tax Benefits -- Report
In the Senate Budget & Taxation Committee
Hearing on March 30, 2023
Position: FAVORABLE**

Maryland Legal Aid (MLA) submits its written testimony on HB 665 in response to a request from Delegate Jessica Feldmark.

Thank you for the opportunity to testify in support of House Bill 665. HB 665 would instruct the Maryland Department of Housing and Community Development (DHCD) and the Comptroller of Maryland to confer in 2023 about how to increase access and awareness of the property tax credits in Maryland and also on how to make the application process easier. The bill also instructs DHCD and the Comptroller to issue a joint report with recommendations to the House Ways and Means Committee by December 1, 2023.

MLA has many clients who benefit a great deal from Maryland's property tax credits. Every year, MLA sends out a mailer with the current fiscal year's tax credit application and instructions on how to complete it to every homeowner that MLA represents. MLA also offers to assist homeowners who need assistance with the application process. This assistance provides tangible financial benefits to homeowners, but it also stretches the resources of MLA and other non-profits who assist homeowners every year. Making the application process simpler and easier would put less of a strain on these resources and allow more homeowners to be able to access this assistance and potentially save their homes.

In addition, many homeowners, especially older homeowners, do not realize that these property tax credits are available. This causes many properties to go into tax sale, which can cause the owner to lose the home. By making homeowners more aware of the property tax credits available, and by making the property tax credits easier to obtain, more homeowners will be able to avoid a possible tax sale.

Also, older homeowners, when older homeowners they cannot afford their property taxes, sometimes decide that it would be better to obtain a reverse mortgage or sell the home to an investor than to lose it entirely. This can cause many homeowners to end up in predatory reverse- mortgage situations and can also cause the loss of generational wealth that they could pass down to future generations. This is especially true in many low-income and minority communities. By making property tax credits easier to obtain, this situation could be avoided.

Because this bill would require state agencies to study proposals to increase access and awareness for Maryland property tax credits and because MLA almost always supports State agencies working together to provide assistance to low-income Marylanders, MLA urges a favorable report on HB 665. If you need

additional information in regards to this bill, please contact William Steinwedel at wsteinwedel@mdlabor.org and (410) 951-7643.

/s/William F. Steinwedel

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