



## House Bill 898

### *Property Tax – Renters’ Property Tax Relief and Homeowners’ Property Tax Credit Programs – Eligibility and Credit Amount*

MACo Position: **SUPPORT**

To: Ways and Means Committee

Date: February 28, 2023

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 898. This bill expands eligibility for specified property tax relief programs by increasing income thresholds used to determine eligibility for the property tax credits. The bill also requires the Maryland State Department of Assessments and Taxation to evaluate and make recommendations on inflation-driven adjustments to the income eligibility requirements for the credits.

MACo strongly prefers that homeowners receive all counseling, education, information, and support which may be available to them and additional assistance when appropriate, to help them pay on time and avoid going through tax sale. By making modest adjustments to eligibility criteria for the Homeowners’ and Renters’ Property Tax Credit Programs, this bill could help more Marylanders remain in their homes.

The Homeowners’ Property Tax Credit Program is a state-funded program that provides credits against state and local real property taxation for homeowners who qualify based on a sliding scale of property tax liability and income. Several counties and municipalities provide supplemental homeowners’ credits, which provide additional tax relief.

The Renters’ Property Tax Credit Program provides tax relief for eligible renters who pay high monthly rent relative to their total income and do not receive federal or state housing subsidies or reside in public housing. The credit is issued through a direct check payment of up to \$1,000 per year.

HB 898 would expand access to property tax relief for more low- to moderate-income homeowners and help residents remain in their homes. Accordingly, MACo requests a **FAVORABLE** report on HB 898.