

# **Pruski\_Testimony HB63 Senate FAV.pdf**

Uploaded by: Andrew Pruski

Position: FAV



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB0063**

Testimony by Delegate Andrew Pruski

March 26, 2024 – Senate Budget and Taxation Committee

**What the Bill Does:**

This bill is designed to close a loophole in Maryland tax law that unintentionally leaves out veterans in our state from receiving the property tax credit they are owed, that the Maryland General Assembly intended for them to receive. Under the current tax law, veterans who have been classified as 100% disabled, but not permanently, receive no property tax credit benefit whatsoever. This bill seeks to rectify this.

**Important Background Information:**

VA Disability ratings are part of the United States Department of Veterans Affairs (VA) system to compensate veterans for service-connected disabilities. Service-connected disabilities are those injuries or illnesses that occur or were aggravated during military service. Disability Ratings are assigned a rating from 0% to 100%, reflecting to severity of the disability. In addition, if there are multiple disabilities, the VA then uses a formula to combine them into a single disability rating.

The VA also assigns each disability a permanency status. Some may be subject to reevaluation to assess if there are changes in their severity and could change their disability rating based on their findings. The intent of this reevaluation is to determine if the disability still exists, has improved, or has worsened. For example, if a disability was initially considered non-permanent, it can later be classified as permanent if it is determined that the condition is not likely to improve.

Permanent disability is a condition that is not expected to improve significantly over time. Veterans with permanent disabilities may not be subject to regular reevaluations or may occur less often. The permanent designation does not necessarily mean that the condition cannot improve, but that the improvement is not anticipated on current medical understanding.

**Why the Bill is Important:**

Under the existing tax law, Maryland provides counties and Baltimore City the option to credit a portion of a household's property tax bill based on the homeowner's status as a disabled veteran. Veterans who have been declared by the VA to have a service-connected disability rating of at least 75%, but not more than 99% are entitled to a credit of 50% of their county or municipal property tax bill. Those veterans with a service-connected disability rating of at least 50% but not

more than 74% are entitled to a credit of 25%. There is not requirement for this rating to be permanent.

In addition, veterans who have been declared to have a permanent disability rating of 100% service-connected disability are entitled to a full property tax exemption. In cases, though rare, if a veteran is classified as 100% disabled, but not permanently, there is no property tax relief.

**Why the Committee Should Vote Favorably:**

HB63 would provide a 50% property tax credit for those veterans who are 100%, but not permanently, disabled. If a veteran's disability status were to be changed to permanent upon reevaluation, they would then be entitled to a full property tax exemption. It would also allow for the counties and Baltimore City to monitor the disability status for veterans who are not permanently 100% disabled. Also noted in the fiscal note, this legislation will not have a state fiscal impact and would have a limited impact on local revenue as this would affect a small population. **On behalf of Maryland's disabled veterans, we request a favorable report.**

# **HB 63 - Property Tax Credit - Disabled Veterans -**

Uploaded by: Christa McGee

Position: FAV



## **House Bill 63 – Property Tax - Credit for Dwelling of Disabled Veterans - Alterations**

### **Position: Support**

The Maryland REALTORS® supports HB 63 which would expand the property tax credit reserved for permanently disabled veterans to also include veterans whose disability is nonpermanent.

REALTORS® support efforts that relieve some of the financial burdens associated with owning a home among those who have served in the armed forces and are now disabled. Current law requires that in order for a disabled veteran to be eligible for this tax incentive, that their disability must be deemed by the U.S. Department of Veterans Affairs as permanent. The alterations of this bill would also allow for those who are experiencing a 100% disability, despite it being nonpermanent to also qualify.

Recently, Maryland REALTORS® conducted a State of Housing 2024 poll among registered voters. Results from this survey found that 82% of Maryland voters feel that the costs to purchase a home in Maryland is too high and 89% have indicated that even with a full-time job their ability to afford a home is an obstacle. Additionally, almost 30% of registered voters would consider relocating to another state due to the high housing costs in Maryland.

Maryland REALTORS® applaud efforts that assist disabled veterans with obtaining the well-deserved and at in many cases, much needed financial incentive offered by this exemption.

**For more information contact**  
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# **Maryland Catholic Conference\_FAV\_HB63 SENATE CROSS**

Uploaded by: Jenny Kraska

Position: FAV



**March 26, 2024**

**HB 63**

**Property Tax - Credit for Dwelling House of Disabled Veterans – Alterations**

**Senate Budget & Taxation Committee**

**Position: FAVORABLE**

The Maryland Catholic Conference offers this testimony in support of House Bill 63. The Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

House Bill 63 expands eligibility for a property tax credit for disabled veterans on their primary residences to those who have been declared by the U.S. Department of Veterans Affairs to have a 100% nonpermanent service-connected disability resulting from blindness or any other disabling cause.

In its Pastoral Statement on Persons with Disabilities, the United States Conference of Catholic Bishops 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."

The Catholic Church in Maryland, through its parishes, charities, hospitals and other ministries, routinely serves those struggling with physical or mental disabilities and recognizes that veterans experiencing a service-related disability can be among the most marginalized and underserved in our society. With the dramatic rise in the cost of housing in Maryland and nationwide, as well as a shortage of availability, House Bill 63 seeks to further the great work of this legislative body in providing primary dwelling unit property tax relief. In doing so, this bill recognizes the human dignity of disabled veterans in enabling them to further afford a home.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on House Bill 63.





**HB0063-BT\_MACo\_SWA.pdf**

Uploaded by: Kevin Kinnally

Position: FWA



## House Bill 63

### *Property Tax - Credit for Dwelling House of Disabled Veterans - Alterations*

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

**WITH AMENDMENTS**

Date: March 26, 2024

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS HB 63 WITH AMENDMENTS**. MACo contends that any state legislation to expand eligibility for existing local-option tax credits, like this bill, should be subject to the discretion of the local governing body.

As introduced, HB 63 expands eligibility for a property tax credit many local jurisdictions have already adopted. Without clarifying language that this expansion is itself subject to a local option, expanding the breadth of the existing credit may result in a more considerable fiscal loss than counties anticipated when originally enacting the credit.

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

Local-option property tax credits allow counties to enact credits tailored to their specific community needs. Additionally, they give each jurisdiction broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits an optional credit enables.

Counties welcome the opportunity to work with state policymakers to develop flexible and optional tools to implement comprehensive or targeted tax incentives, but resist state-mandated changes that preclude local input.

Accordingly, MACo urges the Committee to issue HB 63 a report of **FAVORABLE WITH AMENDMENTS** to grant counties proper flexibility to determine whether expanding an existing local-option property tax credit is in their best interest.