



House Bill 66

*Property Tax Credits - Public School Employees, Health and Safety Improvements,
and Property Used for Local Housing Programs*

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 26, 2024

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 66. This bill enables local governments to enact specified property tax credits for employees of local school systems, safety improvements to apartment or condominium buildings, and to incentivize local housing programs serving homeless individuals or families.

MACo generally supports legislation that provides broad authority to enact tax incentives for revitalization and tax relief purposes and welcomes the opportunity to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives. Counties prefer the approach offered by HB 66, as it provides local autonomy to determine the best way to offer these incentives rather than those that mandate reductions in local revenue sources.

The bill authorizes local governments to grant three separate property tax credits: (1) a property tax credit for an employee of the public school system of the county where the property is located, (2) a property tax credit for an apartment building or a condominium building if the owner made specified health or safety improvements, and (3) a property tax credit for specified apartment condominium buildings that are used for a local housing program for homeless individuals or families.

In addition, the bill authorizes local governments to provide, by law, for the duration of the credits, the maximum assessed value of a dwelling that is eligible for the credits and, if necessary, any additional eligibility criteria. This will allow each jurisdiction that enacts the credit to tailor it to their community needs. Additionally, it gives each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits enabled by the bill.

HB 66 ensures local governments have flexibility in enacting policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for HB 66.