

CORY V. McCRAY
Legislative District 45
Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Chair, Health and Human Services

Vice Chair, Capital Budget

Executive Nominations Committee

Legislative Policy Committee

Joint Committee on Gaming Oversight



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes to SB342

Renters' Property Tax Credit Program and Homeowners' Property Tax Credit Program Alignment Committee: Ways and Means

Dear Chair, Vice Chair, and Respected Members of the Committee,

I am writing to earnestly request your favorable vote on **Senate Bill 342**, which pertains to crucial alterations in the Renters' Property Tax Relief and Homeowners' Property Tax Credit Programs – specifically addressing Gross Income and Assessed Value Limitations.

The Renter's Tax Credit Program, mirroring the Homeowner's Property Tax Credit Program, is instrumental in supporting housing stability for low-income Maryland residents by establishing a cap on property taxes. This initiative provides a tax credit or refund check when property taxes surpass a fixed percentage of an individual's gross income. The method of credit application varies based on factors such as the timing of the application and the individual's homeowner or renter status. Recognizing that renters indirectly contribute to property taxes through rent, both programs are vital in preserving homes for low-income Marylanders.

Presently, the Renter's Tax Credit is computed differently than the homeowner's tax credit, with qualification requirements linked to specific household details. These details include gross income, monthly rent, disability status, age, number of dependents, and utility payments. Unlike the Homeowners Tax Credit Program, the calculation for renters includes assets such as retirement savings plans and individual retirement accounts, affecting the renter's eligibility for the credit.

Senate Bill 342 aims to rectify this discrepancy by excluding the value of retirement savings plans or individual retirement accounts from the definition of "assets" for the purpose of the property tax credit provided to renters. This correction is pivotal in ensuring consistency

between the credits offered to renters and homeowners, promoting fairness and equal access to this essential financial relief.

In light of the significant positive impact that **Senate Bill 342** can have on housing stability and affordability for low-income residents in Maryland, we earnestly request your favorable vote for its passage.

Respectfully,

A handwritten signature in blue ink, appearing to read "Cory V. McCray". The signature is fluid and cursive, with a large initial "C" and a long horizontal stroke.

Cory V. McCray
45th District