

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



DANIEL K. PHILLIPS
Director

ROBERT YEAGER
Deputy Director

HEARING DATE: March 4, 2025

BILL: SB0822

TITLE: Property Tax - Tax Credit for Nonprimary Residence

SDAT POSITION: OPPOSE

The Department of Assessments and Taxation opposes Senate Bill 822 - Property Tax - Tax Credit for Nonprimary Residence. This legislation would create a new property tax credit for residential property that is not being used as the primary residence (non-owner occupied residential property).

As written, the Department would not be able to administer this bill with existing staff capabilities. The Department's Homestead Division would have to increase staffing significantly to handle the volume of new property tax credit applications. Additionally, the Department would be required to procure new processing and auditing software. For instance, SDAT currently uses MVA records to qualify residents for the Homestead Tax Credit. Credits are audited by checking for duplicate social security numbers or MVA profiles. This system would need to be overhauled, or a new filing system procured altogether to implement the provisions under this bill.

The Department appreciates the sponsor's intent and would be happy to discuss it further.

Accordingly, the Department respectfully requests an **UNFAVORABLE** report on Senate Bill 822.