

Maryland Municipal League The Association of Maryland's Cities and Towns

TESTIMONY

February 26, 2025

Committee: House Ways and Means Committee

- **Bill**: HB 1214 Property Tax Homestead Property Tax Credit First-Time Homebuyer
- Position: Oppose

Reason for Position:

The Maryland Municipal League opposes HB 1214, which would grant a first-time homebuyer the homestead property tax credit at the taxable assessment of the prior owner.

While we appreciate the intent to aid first-time homeowners with the property taxes on their new home, this would prevent many properties from resetting their taxable assessment in line with their actual assessed value. As a result, municipal property tax revenues, which average $\sim 50\%$ of municipal general fund revenues, would not grow as quickly as anticipated to cover essential local services.

For these reasons the League respectfully requests that this committee provide an unfavorable report on House Bill 1214. For more information, please contact Justin Fiore, Deputy Director of Advocacy and Public Affairs, at <u>justinf@mdmunipal.org</u>. Thank you in advance for your consideration.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.