



**SB 812 - HOMEOWNERS' PROPERTY TAX CREDIT - ELIGIBILITY AND CALCULATION - ALTERATIONS
HEARING BEFORE THE SENATE BUDGET AND TAXATION COMMITTEE**

March 4, 2026

POSITION: FAVORABLE WITH AMENDMENTS

The Pro Bono Resource Center of Maryland (“PBRC”), an independent 501(c)(3) non-profit organization, is the statewide thought leader and clearinghouse for pro bono civil legal services in Maryland. PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar and offers direct legal services through free legal clinics. **PBRC supports SB 812 because vulnerable homeowners would benefit from increased access to the Homeowners’ Tax Credit to help prevent the loss of their homes. We would like to see the bill amended to also increase the assets and assessed property value limitations.**

Over the past eleven years, PBRC has assisted nearly 1,000 homeowners at risk of losing their homes to tax sale. For homeowners, ending up on the tax sale list is usually the result of the inability to pay one’s property taxes, not an unwillingness. The clients served by our tax sale prevention clinics held in Baltimore represent some of our state’s most vulnerable citizens: nearly two-thirds are seniors, one third are disabled, nearly 90% identify as Black, and the majority report annual household incomes of less than \$30,000. On average, our clients have owned their homes for over 20 years, and over 85% of them own their homes free of a mortgage. As lower-income homeowners, the predominant form of accumulated wealth that they have, and that they can pass on to their families, is the equity in their homes.

Many low-income homeowners are only able to afford their property taxes with the assistance of the Homeowners’ Property Tax Credit, which currently has a low income eligibility threshold that has stagnated at \$60,000 per household for two decades. Further, the assessed value of the home to which the credit can apply has remained capped at \$300,000 for that time period, despite the tremendous jump in home values Maryland has seen in recent years. Increasing the income and assets thresholds, and increasing the maximum assessed value of the home on which the credit is based, would enable more homeowners to pay their taxes, avoid tax sale foreclosure, and keep their homes and the equity their families have worked to build.

PBRC supports SB 812, which could protect certain Marylanders from the loss of their family home to tax sale foreclosure, thereby preserving homeownership and the transfer of intergenerational wealth while stabilizing neighborhoods. Thank you for the opportunity to testify.

For the above reasons,

PBRC urges a FAVORABLE WITH AMENDMENTS vote on SB 812.

Please contact Allison Harris, Director of PBRC’s Home Preservation Project, with any questions.

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