

DATE: February 11, 2026

BILL NO.: Senate Bill 369

TITLE: Nonprofit Housing Corporations - Tax and Enforcement of Judgment Exemptions - Alterations

COMMITTEE: Senate Budget and Taxation Committee

Letter of Support

Description of Bill:

Senate Bill 369 would exempt from all State taxes all real property owned by a nonprofit housing corporation that is used as housing for individuals and families that meet the income requirements of a State or Federal program with applicable income requirements or if they are determined by their local housing authority to lack the sufficient income or assets, without financial assistance, to purchase or rent decent, safe, and sanitary housing.

Background and Analysis:

Maryland faces a growing housing shortage with an estimated 184,784 housing units needed before 2030 to meet demand. Additionally, analysis has consistently emphasized that Maryland's greatest housing needs are for residents with low- and moderate incomes. It has also been identified that the cost of housing is a leading reason for outmigration from the State, particularly among those who have just entered the workforce.

In the context of Maryland's housing crisis, DHCD recognizes that nonprofit housing corporations are a crucial component of developing affordable housing. However, those nonprofits are often unable to compete with the resources of a larger developer who can build projects that are a mixture of affordable and market-rate. While they often have less resources, nonprofit developers tend to build strictly affordable projects. In exempting Nonprofit housing corporations from State taxation, the State would be giving these groups much needed financial support in developing affordable housing.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on Senate Bill 369.