

Written Testimony 1330 - year round HOTC applicati

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Position: FAV

HB 1330
HOMEOWNERS' PROPERTY TAX CREDIT – YEAR-ROUND APPLICATION
HEARING BEFORE THE HEARING BEFORE THE SENATE BUDGET AND TAXATION COMMITTEE
April 1, 2026
POSITION: SUPPORT

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 to over 5,000 clients annually.

PBRC supports HB 1330 because vulnerable homeowners would benefit from increased access to the Homeowners’ Tax Credit to help prevent the loss of their homes.

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 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 requires an annual application with a due date of October 1. If the homeowner misses that due date, the homeowner is obligated to pay the full amount of the tax bill, which is simply out of reach for many Marylanders. Failure to apply or to reapply for the credit in a timely manner frequently lands families in tax sale. By the time we meet with clients when tax sale is looming weeks away, it is too late to help them apply for the property tax credit that would, if given, pull that family out of the risk of tax sale foreclosure. Allowing homeowners to apply for the property tax credit year round, outside of the October 1 deadline, would enable far 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 HB 1330, which will protect certain Marylanders from the loss of their family home to tax sale foreclosure, thereby preserving homeownership and the transfer of intergenerational wealth. Thank you for the opportunity to testify.

For the above reasons,

PBRC urges a FAVORABLE report on HB 1330.

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

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