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TO: House Economic Matters Committee
FROM: LeadingAge Maryland
SUBJECT: House Bill 571, Nonprofit Housing Corporations - Tax and Enforcement of Judgment Exemptions - Alterations
DATE: February 19, 2026
POSITION: Favorable

LeadingAge Maryland supports House Bill 571, Nonprofit Housing Corporations - Tax and Enforcement of Judgment Exemptions – Alterations.

LeadingAge Maryland is a community of more than 150 not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. Members of LeadingAge Maryland provide health care, housing, and services to more than 20,000 older persons each year.

House Bill 571 exempts certain real property owned by nonprofit housing corporations from taxes and special assessments. We believe that this legislation is a crucial step towards addressing Maryland's affordable housing crisis, and we urge the committee to favorably consider this bill.

As a statewide association of not-for-profit providers of housing and services for older adults, LeadingAge Maryland is deeply concerned about the shortage of affordable housing options in our state. The demand for affordable housing far exceeds the available supply, and this has resulted in a crisis that affects not only low-income individuals and families but also our communities as a whole.

House Bill 571 offers a critical solution to this problem by exempting nonprofit low-income housing tax credit owners from paying property tax. This exemption will enable these organizations to allocate more resources towards developing and maintaining affordable housing units, rather than diverting scarce funds towards property tax payments.

Furthermore, this bill eliminates the need for nonprofit housing corporations to request a local Payment in Lieu of Taxes (PILOT) in each jurisdiction. The current PILOT system is

unreliable and often politicized, creating uncertainty and obstacles for nonprofit housing developers. By exempting these organizations from property tax, House Bill 571 provides a more stable and predictable environment for affordable housing development.

The benefits of this legislation are clear. By reducing the financial burden on nonprofit housing corporations, House Bill 571 will help to increase the availability of affordable housing options in Maryland. This, in turn, will have a positive impact on our communities, as affordable housing is essential for promoting economic mobility, improving health outcomes, and enhancing overall quality of life.

For these reasons, LeadingAge Maryland respectfully requests a favorable report for House Bill 571.