

Subject: Testimony in Favor of HB 579: Baltimore County – Property Tax – Partial Exemption and Credits for Seniors

Madam Chair, Members of the Committee,

My name is Tom Henry, and I am writing in strong support of HB0579.

HB 579 addresses a growing and urgent problem in Baltimore County: seniors on fixed incomes being taxed out of homes they have already paid for—not because their income increased, but because government assessments did.

This bill is targeted, responsible, and fair.

It applies only to:

- Homeowners 65 years or older
- Primary residences
- Individuals who already qualify for the Homestead Property Tax Credit

HB 579 does not eliminate taxes; it stabilizes them. By exempting the first \$50,000 of assessed value and locking the homestead growth factor at 100% for seniors, the bill prevents artificial assessment increases from becoming real financial harm.

This policy has worked elsewhere. States with senior property tax relief programs see lower foreclosure rates, reduced reliance on public assistance, and greater community stability. Keeping seniors in their homes is far less costly than displacing them into subsidized housing or Medicaid-funded care.

Most importantly, this bill honors a basic principle:
People should not lose their homes simply because they aged in place.

HB 579 is compassionate without being reckless, targeted without being expansive, and fiscally prudent in both the short and long term.

For these reasons, I urge the Committee to issue a favorable report on House Bill 579. I have included an analysis as to why this is smart policy.

Thank you for your consideration.

Bill Analysis – Why HB 579 Is Smart Policy

HB 579 provides targeted property tax relief to Baltimore County homeowners age 65+ who already qualify for the Homestead Property Tax Credit. It does three key things:

A. Protects Seniors on Fixed Incomes

- Exempts the first \$50,000 of assessed value from State property tax
- Requires Baltimore County to provide a matching county credit on the same \$50,000
- Prevents assessment-driven tax spikes from forcing seniors out of their homes

This is not a giveaway—it applies only to:

- Owner-occupied homes
- Seniors
- Already-qualified Homestead participants

That makes it means-tested, verified, and narrow.

B. Improves the Homestead Formula for Seniors

Normally, Maryland allows counties to cap assessment growth between 100%–110% annually.

HB 579:

- Locks the homestead credit percentage at 100% for qualifying seniors in Baltimore County
- no artificial inflation of taxable value
- Seniors are protected from government-created paper gains they never realized in cash

This fixes a structural unfairness:

- Seniors shouldn't be taxed on theoretical appreciation they can't spend.

C. Keeps Seniors in Their Homes – Cheaper Than the Alternative

Forcing seniors out leads to:

- Higher Medicaid enrollment
- Increased rental assistance
- Greater strain on county services
- Displacement from long-standing communities

Keeping seniors housed is cheaper than replacing them in the social safety net.

Why This Works – Proven in Other States

Similar senior property tax relief programs have been successful nationwide, especially when tied to age + residency + homestead status:

Examples of Proven Outcomes

- Pennsylvania & New Jersey: Senior homestead exclusions reduced tax delinquency rates among seniors
- Florida: Additional senior homestead exemptions stabilized homeownership among retirees
- Texas: Senior tax freezes reduced forced sales and preserved neighborhood continuity

Takeaways:

States that protect seniors' primary residences see:

- Fewer foreclosures
- Lower public assistance costs
- More stable tax bases long-term

HB 579 follows the most successful model: narrow eligibility + automatic administration.