

HOUSE BILL 1275

Q1

5lr2716

By: **Delegate Long**

Introduced and read first time: March 9, 2015

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Homeowner’s Tax Credit – Computation and Eligibility**

3 FOR the purpose of altering the computation of a certain homeowner’s property tax credit;
4 altering a certain limitation on a homeowner’s combined gross income amount for
5 eligibility for the credit; providing for the application of this Act; and generally
6 relating to a certain homeowner’s property tax credit.

7 BY repealing and reenacting, without amendments,
8 Article – Tax – Property
9 Section 9–104(g) and (i)
10 Annotated Code of Maryland
11 (2012 Replacement Volume and 2014 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Tax – Property
14 Section 9–104(h) and (k)(1)
15 Annotated Code of Maryland
16 (2012 Replacement Volume and 2014 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Tax – Property**

20 9–104.

21 (g) A homeowner who meets the requirements of this section shall be granted the
22 property tax credit under this section against the property tax imposed on the real property
23 of the dwelling.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (h) (1) Except as provided in subsection (i) of this section, the property tax
2 credit under this section is the total real property tax of a dwelling, less the percentage of
3 the combined income of the homeowner that is described in paragraph (2) of this subsection.

4 (2) The percentage is:

5 (i) 0% of the 1st ~~[\$8,000]~~ **\$10,000** of combined income;

6 (ii) 4% of the next ~~[\$4,000]~~ **\$5,000** of combined income;

7 (iii) 6.5% of the next ~~[\$4,000]~~ **\$5,000** of combined income; and

8 (iv) 9% of the combined income over ~~[\$16,000]~~ **\$20,000**.

9 (i) For home purchasers, the property tax credit is the amount of the credit as
10 calculated under subsection (h) of this section multiplied by a fraction, where:

11 (1) the numerator of the fraction is the number of days in the fiscal year
12 that the home purchaser actually occupies or expects to actually occupy a dwelling in which
13 the home purchaser has a legal interest; and

14 (2) the denominator is 365 days.

15 (k) (1) A property tax credit under this section may not be granted to a
16 homeowner whose combined net worth exceeds \$200,000 as of December 31 of the calendar
17 year that precedes the year in which the homeowner applies for the property tax credit or
18 whose combined gross income exceeds ~~[\$60,000]~~ **\$75,000** in that same calendar year.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
20 1, 2015, and shall be applicable to tax credits for all taxable years beginning after June 30,
21 2015.