

HOUSE BILL 351

Q1

7lr0699

By: **Delegate Carr**

Introduced and read first time: January 25, 2017

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Homestead Property Tax Credit Percentage – Deadlines**

3 FOR the purpose of altering the deadline by which the Mayor and City Council of Baltimore
4 City and the governing body of a county or municipal corporation must set or alter
5 the homestead property tax percentage in a taxable year and notify the Department
6 of Assessments and Taxation; providing for the application of this Act; and generally
7 relating to the homestead property tax credit.

8 BY repealing and reenacting, with amendments,

9 Article – Tax – Property

10 Section 9–105(e)

11 Annotated Code of Maryland

12 (2012 Replacement Volume and 2016 Supplement)

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

15 **Article – Tax – Property**

16 9–105.

17 (e) (1) For each taxable year, the property tax credit under this section is
18 calculated by:

19 (i) multiplying the prior year's taxable assessment by the
20 homestead credit percentage as provided under paragraph (2) of this subsection;

21 (ii) subtracting that amount from the current year's assessment; and

22 (iii) if the difference is a positive number, multiplying the difference
23 by the applicable property tax rate for the current year.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) For each taxable year, the homestead credit percentage under
2 paragraph (1)(i) of this subsection is:

3 (i) for the State property tax and for any property tax imposed for a
4 bicounty commission, 110%;

5 (ii) for the county property tax:

6 1. the homestead credit percentage established by the county
7 under paragraph (3) of this subsection; or

8 2. if the county has not set a percentage for the taxable year
9 under paragraph (3) of this subsection or has not notified the Department as required under
10 paragraph (6) of this subsection, the homestead credit percentage in effect for the county
11 for the preceding taxable year; and

12 (iii) for the municipal corporation property tax:

13 1. the homestead credit percentage established by the
14 municipal corporation under paragraph (4) of this subsection; or

15 2. if the municipal corporation has not set a percentage
16 under paragraph (4) of this subsection or has not notified the Department as required under
17 paragraph (7) of this subsection, the homestead credit percentage for the taxable year for
18 the county in which the property is located.

19 (3) Subject to paragraph (5) of this subsection, the Mayor and City Council
20 of Baltimore City and the governing body of a county on or before [November 15] **MARCH**
21 **15** of any year shall set, by law, the homestead credit percentage for the taxable year
22 beginning the following July 1.

23 (4) Subject to paragraph (5) of this subsection, on or before [November 25]
24 **MARCH 25** of any year, the governing body of a municipal corporation may set or alter, by
25 law, a homestead credit percentage for the taxable year beginning the following July 1 and
26 any subsequent taxable year.

27 (5) The homestead credit percentage for any county or municipal
28 corporation property tax:

29 (i) may not be less than 100% or exceed 110% for any taxable year;
30 and

31 (ii) shall be expressed in increments of 1 percentage point.

32 (6) The Mayor and City Council of Baltimore City and the governing body
33 of a county shall notify the Department of any action taken under paragraph (3) of this

1 subsection on or before [November 15] **MARCH 15** preceding the taxable year for which
2 the action is taken.

3 (7) A municipal corporation shall notify the Department of any action
4 taken under paragraph (4) of this subsection on or before [November 25] **MARCH 25**
5 preceding the taxable year for which the action is taken.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
7 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2018.