

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 798 (Montgomery County Delegation)
Ways and Means

Montgomery County - Property Tax - Credit for Senior Citizen Volunteers
MC 23-20

This bill authorizes Montgomery County to grant a property tax credit for the dwelling owned by an individual who is at least 65 years old and who volunteers for a public school or nonprofit organization that is located in or operating in Montgomery County. Montgomery County is authorized to establish (1) the amount and duration of the property tax credit; (2) additional eligibility criteria for the property tax credit; (3) regulations and procedures for the application and uniform processing of requests for the property tax credit; and (4) any other provision necessary to carry out the property tax credit. **The bill takes effect June 1, 2020, and applies to taxable years beginning after June 30, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County property tax revenues decrease beginning in FY 2021 to the extent the property tax credit is granted. The amount of the revenue decrease depends on the number of eligible senior citizens who receive the property tax credit and the amount of the property tax credit granted. County expenditures are not affected.

Small Business Effect: None.

Analysis

Background: With over 160,000 students, Montgomery County is the largest school system in Maryland and the 14th largest in the nation. The school system consists of

206 schools, including 134 elementary schools, 40 middle schools, 25 high schools, 1 career and technology center, 5 special schools, and 1 alternative school program.

Data from the U.S. Census Bureau indicates that 14.1% of the population in Montgomery County is age 65 and older, which represents approximately 146,700 individuals.

Local Fiscal Effect: Montgomery County property tax revenues decrease beginning in fiscal 2021 to the extent the property tax credit is granted. The amount of the revenue decrease depends on the number of eligible senior citizens who receive the property tax credit and the amount of the property tax credit granted.

For fiscal 2020, the real property tax rate in Montgomery County is \$0.9907 per \$100 of assessment. The average residential property assessment is \$464,270.

Additional information on local property tax rates and revenues can be found in the [County Revenue Outlook report](#). A copy of the report is available on the Department of Legislative Services website.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Montgomery County; State Department of Assessments and Taxation; Department of Legislative Services

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