



Montgomery County

Office of Intergovernmental Relations

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HB 766

DATE: February 18, 2020

SPONSOR: Delegate Kaiser, et al.

ASSIGNED TO: Ways and Means

CONTACT PERSON: Kathleen Boucher (kathleen.boucher@montgomerycountymd.gov)

POSITION: SUPPORT

Property Tax Credit – Disabled Military Personnel and Surviving Spouses

House Bill 766 is an enabling bill that broadens provisions of current law that authorize local governments to create a property tax credit for an individual who is: (1) at least 65 years old and is a retired member of the uniformed services, military reserves, or national guard; or (2) a surviving spouse who is at least 65 years old and not remarried. Current law allows a local government to establish a maximum assessed value for eligible dwellings, establish any other additional eligibility criteria, and adopt regulations and procedures for the application and uniform processing of tax credit requests. The credit may not exceed 20% of the property tax and may be granted for up to five years as long as the taxpayer remains eligible.

This bill expands current law to allow a local government to enact a law that creates a property tax credit for disabled retirees and active-duty members of the uniformed services, military reserves, or national guard regardless of age, as well as a surviving spouse who is not remarried. The bill allows a local government to define “service-connected disability” rather than establish specific criteria in the bill that must be used by all local governments. All other components of existing law discussed above would apply to this type of credit, including authority to establish a maximum assessed value for eligible dwellings, establish any other additional eligibility criteria, and adopt regulations and procedures for the application and uniform processing of tax credit requests. Same as existing law – the credit may not exceed 20% of the property tax and may be granted for up to five years as long as the taxpayer remains eligible.

Montgomery County previously enacted a local law that created a property tax credit for retired members of the uniformed services, military reserves, or national guard who are at least 65 years old and who live in a dwelling that has a maximum assessed value of \$500,000. Surviving spouses who are at least 65 years old and not remarried are also eligible for the credit. The credit is 20% of the property tax and may be granted for up to five years as long as the taxpayer remains eligible. The County would like to have authority create a property tax credit for the individuals identified in House Bill 766. If the bill is enacted, the County will explore options for defining “service-connected disability” and other eligibility criteria. Montgomery County respectfully requests that the House Ways and Means Committee give House Bill 766 a favorable report.