

March 2, 2020

The Honorable Anne R. Kaiser
Ways & Means Committee
House Office Building, Room 131,
6 Bladen St., Annapolis, MD, 21401

RE: HB 1289 Homestead Property Tax Credit – Notice Requirements and Application Waiver for First-Time Homebuyers

Dear Chairwoman Kaiser :

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in the **HB 1289 Homestead Property Tax Credit – Notice Requirements and Application Waiver for First-Time Homebuyers**. MBIA **Opposes** the Act in its current version.

This measure would require the Developer, once the first lot is sold to a member of the public, to deliver to each homeowner within a 1-mile radius of the development a statement regarding the Homestead Property Tax Credit. The Homestead Tax Credit limits the increase in taxable assessments each year to a fixed percentage. There is no nexus that connects a new development to the Homestead Tax Credit to the surrounding community. Additionally, there is no way for the Developer to know who in the surrounding community would be eligible for such a tax credit. This would be an onerous requirement for the developer. This appears to be an attempt to further expand the people that apply for the credit. There are various other ways to do this that do not put this burden on the developer.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Ways & Means Committee