



Maryland Consumer Rights Coalition

**Testimony to the Senate Budget & Taxation Committee**  
**SB153: Property Tax - Homeowners' Property Tax Credit - Definition of Gross Income**  
**Position: Favorable**

January 18, 2022

The Honorable Guy Guzzone, Chair  
Senate Budget & Taxation Committee  
3 West, Senate Office Building  
Annapolis, Maryland 21401  
cc: Members, Budget & Taxation Committee

Chair Guzzone and Members of the Committee:

MCRC is a statewide coalition of individuals and organizations that advances economic rights and financial inclusion for Maryland consumers through research, education, direct service, organizing, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in support of SB153. For the past five years, MCRC has helped homeowners, particularly older adults, apply for the Homeowners Property Tax Credit (HOTC). We have spearheaded marketing campaigns, trained financial and housing counselors, VITA staff, and legal service providers on how to assist homeowners in applying for the tax credit, and served as a sounding board when colleagues ran into trouble with the application process. In Baltimore, we have been able to help homeowners avert a tax-sale foreclosure because of these tax credits. In 2020, we returned, \$136,360 to financially fragile families.

When the global pandemic and accompanying economic recession began in March 2020, calls to our hotline for financial coaching, counseling, and tax credit assistance dramatically increased. Over the course of the year, we had a 106% increase in calls seeking support and assistance. According to the United Way's 2020 ALICE report, 39% of Maryland families are struggling economically at this time. SB153 expands eligibility for the HOTC by changing the definition of gross income to exclude expenditures on medical care, continuing care, and care provided by an assisted living program or nursing home. Many financially fragile families use the HOTC to build their assets, an especially difficult feat during this tumultuous time. The physical health impacts of the COVID-19 virus has made the need for this legislation paramount.

We believe that Maryland should embrace policies that 'meet the moment' and SB153 does so by extending support via HOTC to homeowners who have experienced financial setbacks due to unavoidable health care costs. We support SB153 and urge a favorable report.

Marceline White  
Executive Director