



HB 449- Property Tax - Renters' Property Tax Relief Program - Application Period
House Ways and Means Committee
February 8, 2022
SUPPORT

Chair Atterbeary, Vice-chair, and members of the committee, thank you for the opportunity to testify in support of House Bill 449. This bill will allow eligible applicants to claim tax credits from the state's property tax relief programs retroactively for up to 3 years.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

The ongoing COVID-19 pandemic has contributed to major financial burdens, especially in our most vulnerable communities. It has also shown that tax credits are powerful and effective in delivering additional aid to vulnerable populations. Adults 60 and older experience a large decrease in total net wealth and an increase in debts, particularly property related debt, and experience significant increases in poverty status post-recession.¹ This leaves older populations in extreme financial hardship that is difficult to recover from. Most older populations are on a fixed income and have limited capacity to recover from financial strain. **HB 449 will give much needed financial support to older Maryland renters and will continue to help vulnerable seniors through future economic downturns.**

In 2020, Maryland had the 8th highest number of renters who were cost-burdened, with 49% paying more than 30% of their income for housing, while many are severely cost-burdened paying more than 50% for a rental.² Older adults are more vulnerable to housing displacement. They may not have secure incomes in retirement or may be on fixed incomes that do not adjust well enough for soaring housing prices.⁵ Even for those who are employed, they may be living paycheck to paycheck and even one unexpected bill or illness could create an unstable housing situation.

HB 449 would allow Maryland renters who were at least 70 years old and previously eligible for tax credits to claim those credits retroactively for up to three (3) years, further reducing their financial burden. This bill will protect older adult, low-income renters from housing displacement, provide Maryland residents with the opportunity to protect their housing situation, and allow vulnerable older adults the means to age in place - maintaining their intergenerational investment and strengthening the communities they live in.

For these reasons, we encourage a favorable report on HB 449.

¹ [National Council on Aging](#)

² [Maryland Association of Counties](#)