

Al Carr's Testimony on 45-23 Property Tax Credit - Individuals 65 and Above, Retired Military Service Members, and Disabled Military Service Members. January 23, 2024

Good afternoon Mr. President, madame vice President, and members of the Council.

Thank you for the opportunity to testify on Bill 45-23.

I appreciate the intent -
to provide relief on the cost of housing for seniors.
But in light of the Racial Equity and Social Justice analysis for the bill, I am suggesting a different approach.

Montgomery County should instead increase the local supplement to the state homeowners property tax credit and renters tax credit.

I was in the General Assembly in 2016 when we passed the enabling legislation for the Property Tax Credit for 65 and above - as a favor to a freshman legislator from Baltimore County. To my surprise it was quickly implemented in Montgomery County, but until recently, nowhere else. So we are an outlier. Perhaps the reason why most counties haven't embraced it - is because it benefits many people who don't need help - and it excludes many seniors who do need help.

By requiring that seniors must have resided in their home for a set number of years, we exclude seniors who've lived in their home for a lesser number of years, regardless of need.

By cutting off assistance at a threshold assessed value, we exclude seniors whose property is reassessed to fall above the threshold, regardless of need.

By setting an age threshold, we exclude younger seniors, regardless of need.

And we also exclude senior renters, some of whom lost ownership of their homes due to medical debt, loss of a job, or another hardship

The alternative - Increasing the county's supplement to the state homeowners and renters tax credits is a more equitable approach.

The homeowners tax credit - benefits every qualified senior who applies - regardless of age, how many years they have owned their home and regardless of its assessed value. Montgomery County has supplemented this credit for many years, but we could increase the supplement, expand eligibility and improve promotion. The state gives local governments great flexibility in setting qualifications, as evidenced in the City of Rockville.

And the renters tax credit - benefits seniors - who are low and moderate income tenants. Starting in 2015, the county has supplemented the renters tax credit at the 50% level. But the match could be increased - and the credit could be better marketed.

Besides greater equity for needy seniors, another benefit of the approach I'm suggesting - is that the state credits and their local supplements are fully administered by SDAT with no burden on county staff.

Thank you.