PUBLIC HEARING TESTIMONY OF CAROL PLACEK ON PROPERTY TAX RATE INCREASE – APRIL 22 2025 1:30PM HEARING

I am a retired single senior turning 70, living in Kensington on a fixed income in my home of 38 years. I hope to stay there. My neighborhood is being gentrified by McMansions, and more taxing works to force me to leave. **I strongly oppose this tax increase because:**

1. **The additional tax poses undue hardship, especially to limited income seniors who are facing uncontrolled price increases in almost every aspect of their lives.** Social security benefits, which I largely rely on, increased only 2.5 % for 2025. but my property taxes will rise by over 11% this year with the assessment and rate increases. The increase would consume 35% of the increase in my social security and pension benefits this year. My federal, state and property tax is $22,000 with $50,000 in gross social security and pension income, leaving a large deficit to fill to pay all of my living expenses.

   In three years my property assessment alone will increase over 20%. Where am I supposed to get the money?? My auto insurance increased 30%, home insurance 27% with no claims, but these are much smaller bills than my property tax bill. I do as much home maintenance as I can myself to save money, but it gets more dangerous as I age.

   <u>The senior property tax credits help very few people because their requirements are so strict. Washington DC cuts property taxes by 50% for those over 65 with household incomes up to $160,000 (see end note).</u> Why not at least limit the total property tax increase to the rate that social security benefits increase if people are on social security and take the federal standard deduction?

2. **The county needs to curb its spending, including education.** Everything added now gets built into next year's baseline. President Obama froze my federal pay for three straight years, and we never got "make up" pay raises. I'd pay more for education if the kids helped me clean my gutters or do yard work.

3. **Let those who are able and happy to pay more do so, but do not force this burden on others.** Some people are fine with paying more tax. Wealthier people may not feel it is a big deal, may deduct it on their itemized federal tax return, or have kids so see more direct benefits. Have a voluntary tax or charitable contribution that can be deducted on the federal return and see how that does before you impose a mandatory higher tax on everyone.

4. **The property assessment process, methodology, and administration (controlled by the State of Maryland) is unfair and broken. It should be taken over and administered by the county.** Maryland is the only state where the county does not control its assessments.

   The effects? "Mansionized" properties are under assessed while small, older, unimproved properties are over assessed. Additions, rebuilds, and other capital improvements are not timely reassessed. Property assessments do not incorporate the property's actual recent sales price. Properties are getting the $692 county property tax credit that don't deserve it. Rental properties are misidentified as principal residences. As a result, the property tax charged is often unfair and inconsistent. I am a certified fraud examiner with knowledge, and this needs to be fixed.

#1. Note - Washington DC's Senior Property Tax Discount

https://otr.cfo.dc.gov/page/homesteadsenior-citizen-deduction

Senior Citizen or Disabled Property Owner Tax Relief

When a property owner turns 65 years of age or older, or when he or she is disabled, he or she may file an application immediately for disabled or senior citizen property tax relief. This benefit reduces a qualified property owner's property tax by 50 percent. If the property owner lives in a cooperative housing association, the cooperative will supply and collect the applications. The following guidelines apply:

1. The disabled or senior citizen must own 50 percent or more of the property or cooperative unit;

2. The Tax Year 2023 total federal adjusted gross income of everyone living in the property or cooperative unit, excluding tenants, must be less than $159,750.00 for 2025; and

3. The same requirements for application, occupancy, ownership, principal residence (domicile), number of dwelling units, cooperative housing associations and revocable trusts apply as in the homestead deduction.