AN EXPEDITED ACT to:

(1) revise the County tax credit supplement to the state homeowners property tax credit program; and

(2) generally amend the law governing County property tax credits.

By amending
Montgomery County Code
Chapter 52, Taxation
Section 52-11A

The County Council for Montgomery County, Maryland approves the following Act:
Sec. 1. Section 52-11A is amended as follows:

52-11A. **Homeowners property tax credit.**

(a) *Definitions.* In this section, the following words have the meanings indicated.

* * *

(6) Total real property tax means the product of the sum of all property tax rates on real property, including special service area rates, but not including State and municipal district rates, for the taxable year on a dwelling, multiplied by the lesser of:

(A) $[300,000] \quad [450,000] \quad 300,000; \text{ or}

(B) the assessed value of the dwelling reduced by the amount of any assessment on which a property tax credit is granted under Section 9-105; and

reduced by any "save harmless" credit mandated under Section 9-101 of the Tax-Property Article of the Maryland Code.

* * *

(c) *Amount.*

(1) The County supplemental property tax credit is the total real property tax on a dwelling, less:

(A) the percentage of the combined gross income of the homeowner calculated under paragraph (2), and

(B) the property tax credit granted under Section 9-104.

(2) The allowable percentage of combined gross income is:

(A) 0% of the first $[15,000] \quad 20,000; \text{ or}

(B) 2% of the next $6,000;

(C) 5% of the next $7,000;

(D) 6.5% of the next $8,500; and
(E) 8% of any combined gross income over $36,500
41,500.

(d) The Council annually, by resolution adopted not later than June 1, may
vary either or both:
(1) the specific dollar amount referred to in subsection (a)(6); or
(2) the allowable percentage of combined gross income under
subsection (c)(2).

[[((d)](e)  * * *

[[((e)])(f)  * * *

[[((f)](g)  * * *

[[((g)])(h)  * * *

[[[* * *]]

Sec. 2. Expedited Effective Date.

The Council declares that this legislation is necessary for the immediate
protection of the public interest. This act takes effect on July 1, 2006, and applies to
any tax year that begins on or after that date.

Approved:

George L. Leventhal, President, County Council  5/18/06

Approved:

Douglas M. Duncan, County Executive  5/19/06

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council  6/5/06