

MEMORANDUM

April 28, 2017

TO: County Council

FROM: Amanda Mihill, Legislative Attorney *A. Mihill*

SUBJECT: **Introduction:** Expedited Bill 13-17, Taxation – Property Tax Credit for Retired Military Services Members - Eligibility

Expedited Bill 13-17, Taxation – Property Tax Credit for Retired Military Services Members - Eligibility, sponsored by Lead Sponsor Councilmember Floreen and Co-Sponsors Council President Berliner, and Councilmembers Rice, Katz, and Navarro, is scheduled to be introduced on May 2, 2017. A public hearing is tentatively scheduled for June 13 at 1:30 p.m.

Expedited Bill 13-17 would expand the property tax credit for military retirees to include a retired member of the uniformed services, the military reserves, or the national guard. Expedited Bill 13-17 would implement authority granted in House Bill 1234 that was enacted during the 2017 General Assembly session. Expedited Bill 13-17 would take effect on July 1.

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Expedited Bill No. 13-17
Concerning: Taxation – Property Tax
Credit for Retired Military Services
Members – Eligibility
Revised: 4/21/2017 Draft No. 2
Introduced: May 2, 2017
Expires: November 2, 2018
Enacted: _____
Executive: _____
Effective: July 1, 2017
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Floreen
Co-Sponsors: Council President Berliner and Councilmembers Rice, Katz, and Navarro

AN EXPEDITED ACT to:

- (1) expand the property tax credit for military retirees to include a retired member of the uniformed services, the military reserves, or the national guard; and
- (2) generally amend the law relating to property tax credits.

By amending

Montgomery County Code
Chapter 52, Taxation
Section 52-110, Property tax credit – elderly individuals and veterans

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Section 52-110 is amended as follows:

52-110. Property tax credit – elderly individuals and [veterans] retired military services members.

* * *

(c) *Eligibility.* An individual is eligible to receive a property tax credit if:

* * *

(2) (A) the individual is at least 65 years old;

(B) the individual is a retired member of the uniformed services of the United States [armed forces] as defined in 10 U.S.C. §101, the military reserves, or the national guard; and

(C) the dwelling for which a property tax credit is sought has a maximum assessed value of \$500,000 at the time the individual first applied for the credit.

* * *

Sec. 2. Expedited Effective Date.

The Council declares that this legislation is necessary for the immediate protection of the public interest. Section 52-110, as amended by Section 1 of this Act, takes effect on July 1, 2017.

LEGISLATIVE REQUEST REPORT

Expedited Bill 13-17

Taxation – Property Tax Credit for Retired Military Services Members - Eligibility

DESCRIPTION: Bill 42-16 would expand the tax credit for military retirees authorized in Bill 42-16 to include a retired member of the uniformed services, the military reserves, or the national guard.

PROBLEM: During the 2017 legislative session, the General Assembly enacted, and the Governor signed, House Bill 1234 which provides local government authority to expand the military retiree tax credit to include a retired member of the uniformed services, the military reserves, or the national guard.

GOALS AND OBJECTIVES: To implement authority granted by the State.

COORDINATION: Finance

FISCAL IMPACT: To be requested.

ECONOMIC IMPACT: To be requested.

EVALUATION: To be requested.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Amanda Mihill, Legislative Attorney, 240-777-7815

APPLICATION WITHIN MUNICIPALITIES: Taxes and credits apply countywide

PENALTIES: N/A

Chapter 184

(House Bill 1234)

AN ACT concerning

Property Tax – Credit for Retired Military Service Members – Eligibility

FOR the purpose of expanding eligibility for a credit authorized against the county or municipal corporation property tax for retired military service members to include certain members of the uniformed services of the United States, the military reserves, and the National Guard; providing for the application of this Act; and generally relating to a property tax credit for retired military service members.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 9–258

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Tax – Property

9–258.

(a) (1) In this section the following words have the meanings indicated.

(2) “Dwelling” has the meaning stated in § 9–105 of this title;

(3) “Eligible individual” means:

(i) an individual who is at least 65 years old and has lived in the same dwelling for at least the preceding 40 years; or

(ii) an individual who is at least 65 years old and is a retired member of the [armed forces] **UNIFORMED SERVICES** of the United States **AS DEFINED IN 10 U.S.C. § 101, THE MILITARY RESERVES, OR THE NATIONAL GUARD.**

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on the dwelling of an eligible individual.

(c) The property tax credit allowed under this section may:

(1) not exceed 20% of the county or municipal corporation property tax imposed on the property; and

(2) be granted for a period of up to 5 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the maximum assessed value of a dwelling that is eligible for the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the tax credit under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved by the Governor, April 18, 2017.