

GO ITEM 2  
June 14, 2018  
**Worksession**

**MEMORANDUM**

June 12, 2018

TO: Government Operations and Fiscal Policy Committee

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

SUBJECT: Expedited Bill 17-18, Property tax credit — elderly individuals and retired military services members – application

PURPOSE: Worksession – Committee should make recommendations on Bill

Expedited Bill 17-18, Property Tax Credit – Elderly Individuals and Retired Military Services Members - Application, sponsored by Lead Sponsor Councilmember Leventhal and Co-Sponsors Councilmembers Rice, Katz, Floreen, Council Vice-President Navarro and Councilmember Hucker was introduced on May 1, 2018. A public hearing was held on June 12 at which there were two speakers (see testimony and correspondence on ©10-12). The County Executive is not taking a position on the bill, but does not object to it.

Bill 17-18 would change the application process for individuals to receive the property tax credit for elderly individuals and retired military services members. Specifically, it would remove the requirement for an individual to apply every year that the individual is eligible to receive the credit. Instead, an individual would apply for the credit the first year and would automatically receive the credit for 4 additional years if the individual remains eligible for the credit. Bill 17-18 would apply retroactively so that individuals that missed the April 1, 2018 deadline for the second year of the credit would still receive the credit for the tax year that begins July 1. A sponsor memorandum is on ©4. At the public hearing, Ms. Reba Heyman supported Bill 17-18 (©11).<sup>1</sup>

***Proposed amendment.*** Councilmember Floreen has proposed an amendment on ©5-7 to implement recent state law changes to allow a surviving spouse of a veteran eligible for the credit to receive the credit. (See ©8-9 for House Bill 502, which authorizes the expansion of the credit in this manner.). This amendment would implement a recommendation made at the public hearing By Captain David Peterson (©10).

---

<sup>1</sup> Ms. Elizabeth Loggia submitted a letter to the Council supporting Bill 17-18 and suggesting several additional changes to the application process, many of which do not require changes to the law (©12). The Department of Finance may want to respond to the suggestions in Ms. Loggia's letter.

**Council staff recommendation:** Enact Bill 17-18 to remove the yearly application requirement. If the Committee supports allowing surviving spouses of veterans to receive the tax credit, then the Committee should recommend amending Bill 17-18 as proposed by Councilmember Floreen.

This packet contains:

	<u>Circle #</u>
Expedited Bill 17-18	1
Legislative Request Report	3
Sponsor memorandum	4
Floreen memorandum and amendment	5
House Bill 502	8
Testimony and Correspondence	
Captain David Peterson	10
Reba Heyman	11
Elizabeth Loggia	12

Expedited Bill No. 17-18  
Concerning: Property tax credit —  
elderly individuals and retired military  
services members — application  
Revised: 4/24/2018 Draft No. 1  
Introduced: May 1, 2018  
Expires: November 1, 2019  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: \_\_\_\_\_  
Ch.       , Laws of Mont. Co.       

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

---

Lead Sponsor: Councilmember Leventhal  
Co-Sponsors: Councilmembers Rice, Katz and Floreen

---

### AN EXPEDITED ACT to:

- (1) change the application process for individuals to receive the property tax credit for elderly individuals and retired military services members; and
- (2) generally amend the property tax credit for elderly individuals and retired military services members.

By amending

Montgomery County Code  
Chapter 52, Taxation  
Section 52-110

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<b><u>Double underlining</u></b>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<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 retired military services members.**

\* \* \*

(d) Amount and duration of credit.

(1) The credit allowed under this Section is 20% of the County property tax imposed on the dwelling.

(2) The credit must be granted each year for 5 years if the individual remains eligible for the credit.

(e) Application.

(1) A property owner must submit an application to the Director on or before April 1 before [each] the tax year that the individual [remains eligible for] first seeks to receive the credit. An annual application is not required for an individual to receive the credit.

(2) An application must:

(A) be on the form that the Director requires; and

(B) demonstrate that the taxpayer is entitled to the credit.

\* \* \*

**Sec. 2.      Expedited Effective Date.**

20 The Council declares that this legislation is necessary for the immediate  
21 protection of the public interest. This Act takes effect on the date on which it  
22 becomes law and applies retroactively to March 31, 2018.

## LEGISLATIVE REQUEST REPORT

Expedited Bill 17-18

*Property Tax Credit – Elderly Individuals and Retired Military Services Members – Application*

<b>DESCRIPTION:</b>	Expedited Bill 17-18 would change the application process for individuals to receive the property tax credit for elderly individuals and retired military services members.
<b>PROBLEM:</b>	Some first year recipients of the tax credit did not apply to receive the credit in subsequent years.
<b>GOALS AND OBJECTIVES:</b>	To allow recipients to apply only once to receive the credit for the five-year duration of the tax credit.
<b>COORDINATION:</b>	Department of Finance
<b>FISCAL IMPACT:</b>	To be requested.
<b>ECONOMIC IMPACT:</b>	To be requested.
<b>EVALUATION:</b>	To be requested.
<b>EXPERIENCE ELSEWHERE:</b>	To be researched.
<b>SOURCE OF INFORMATION:</b>	Amanda Mihill, Legislative Attorney, 240-777-7815
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	Taxes and credits apply countywide
<b>PENALTIES:</b>	N/A

F:\LAW\BILLS\1817 Senior Vet Tax Credit Application\LRR.Docx



MONTGOMERY COUNTY COUNCIL  
ROCKVILLE, MARYLAND

GEORGE LEVENTHAL  
COUNCILMEMBER  
AT-LARGE

M E M O R A N D U M

April 24, 2018

TO: Councilmembers

FROM: George Leventhal, Councilmember *cc*

SUBJECT: Change to the property tax credit for elderly individuals and retired military members

On Tuesday, I will be introducing the attached bill that would slightly modify the application process for elderly individuals and veterans who are seeking to receive a property tax credit under County law. Currently, elderly residents who meet a certain criteria and retired military service members seeking a property tax credit under Bill 10-16 enacted by the Council, must re-apply for the credit each year. The attached bill would allow seniors to apply only once for the entire five-year duration of the tax credit.

As our senior residents age in place, I believe it is important to help simplify their lives. This small change will go a long way in providing peace of mind for seniors who shouldn't have to worry about whether they have applied for this particular tax credit that is available to them. This change allows the existing tax credit to more closely align with the Homestead Exemption which is automatically renewed.

If you have any questions or if you would like to co-sponsor this bill, please contact Walton Harris in my office.



MONTGOMERY COUNTY COUNCIL  
ROCKVILLE, MARYLAND

NANCY FLOREEN  
COUNCILMEMBER AT-LARGE

**MEMORANDUM**

June 11, 2018

**To:** Government Operations & Fiscal Policy (GO) Committee

**From:** Councilmember Nancy Floreen *nf*

**Subject:** Requested amendment for Expedited Bill 17-18 – Property tax credit – elderly individuals and retired military services members – application

Earlier this year, the General Assembly unanimously passed HB 502, Property Tax Credit - Surviving Spouse of Veteran. This new legislation enables counties to expand coverage of senior property tax credits to include the surviving spouse of a military veteran. Two bills I previously sponsored Bill 42-16 - Taxation - Property Tax Credit - Elderly Individuals and Veterans and, Expedited Bill 13-17 - Taxation - Property Tax Credit for Retired Military Services Members - Eligibility currently provide a property tax credit for residents who are at least 65 years old and have lived in their homes for at least 40 years, or are retired from the uniformed services, the military reserves, or the national guard, subject to certain assessment caps.

I propose an amendment to Expedited Bill 17-18 - Property Tax Credit - Elderly Individuals and Retired Military Services Members - Application to include eligibility for surviving spouses of retired uniformed services, the military reserves, or the national guard as allowed under the recent state law changes. I have attached my amendment for your review and I appreciate your consideration.

cc: Councilmember George Leventhal  
Amanda Mihill, Legislative Attorney

## AMENDMENT

To Bill 17-18

### BY COUNCILMEMBER FLOREEN

PURPOSE: To implement recent state law changes to allow a surviving spouse of a veteran eligible for the credit to receive the credit.

*Beginning on page 2, after line 18, renumber Section 2 and add new Section 2 as follows:*

1                   Sec. 2. Section 52-110 is amended as follows:

2                   \*       \*       \*

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

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

5                    (B)   the individual has lived in the same dwelling for at least the

6                    preceding 40 years; and

7                    (C)   the dwelling for which a property tax credit is sought has a

8                    maximum assessed value of \$650,000 at the time the

9                    individual first applied for the credit; [[or]]

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

11                  (B)   the individual is a retired member of the uniformed services

12                  of the United States as defined in 10 U.S.C. §101, the

13                  military reserves, or the national guard; and

14                  (C)   the dwelling for which a property tax credit is sought has a

15                  maximum assessed value of \$500,000 at the time the

16                  individual first applied for the credit[[.]]; or

17                  (3)    the individual is a surviving spouse of an individual described in

18                  paragraph (c)(2) if:

19                  (A)   the deceased individual would have qualified as an eligible

20                  individual under (c)(2) at the time of the deceased

21                  individual's death; and

22                  (B)   the surviving spouse has not remarried.

23                   \*       \*       \*

*Beginning on page 2, lines 19-22, amend Section 2 to read:*

24 **Sec. [2] 3. Expedited Effective Date; application date.**

25 The Council declares that this legislation is necessary for the immediate  
26 protection of the public interest[[.]] and takes effect as follows:

27 (a) [[This]] Section 1 of this Act takes effect on the date on which it becomes  
28 law and applies retroactively to March 31, 2018.

29 (b) Section 2 of this Act takes effect on July 1, 2018. Notwithstanding  
30 Section 52-110(e), an individual that meets the eligibility criteria of  
31 Section 51-110(c)(3) must submit an application to the Director on or  
32 before September 1, 2018 if the individual seeks to receive the tax credit  
33 for Fiscal Year 2019.

34

f:\law\bills\1817 senior vet tax credit application\floreen amendment.docx

Chapter 309

**(House Bill 502)**

AN ACT concerning

**Property Tax Credit – Surviving Spouse of Veteran**

FOR the purpose of altering eligibility for a credit authorized against the county or municipal corporation property tax for certain veterans to include certain surviving spouses of certain veterans; providing for the application of this Act; and generally relating to a property tax credit for the surviving spouses of certain veterans.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 9-258

Annotated Code of Maryland

(2012 Replacement Volume and 2017 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 uniformed services of the United States as defined in 10 U.S.C. § 101, the military reserves, or the National Guard; **OR**

**(III) A SURVIVING SPOUSE, WHO HAS NOT REMARRIED, OF AN INDIVIDUAL DESCRIBED IN ITEM (II) OF THIS PARAGRAPH.**

(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, 2018, and shall be applicable to all taxable years beginning after June 30, 2018.

**Approved by the Governor, April 24, 2018.**



2  
Montgomery County Chapter  
P.O. Box 34127  
West Bethesda, Maryland 20827-0127

### Testimony of David H. Peterson in Support of Amending Council Bill 17-18

Good afternoon, Mr. President and members of the Council. My name is David H. Peterson and I am here again today on behalf of the members of the local Montgomery County affiliate of the Military Officers Association of America (MOAA). MOAA is the fourth largest military service organization in the country, and its 400+ local affiliate chapters are non-partisan advocates for the Nation's uniformed services community.

I appeared before you previously, advocating for Council legislation dealing with the property tax credit as enacted by the General Assembly in 2016 and 2017. I return today to advocate for bringing the County legislation into conformance with recently-passed HB502, sponsored by Delegate Jheanelle Wilkins.

HB502 extended eligibility for the credit to surviving spouses of eligible retired veterans. While it is the service members who actually serve wearing our Nation's various uniforms, no one can ever say that the spouse does not also serve as he or she supports the family unit while the member does his or her duty. In recognition of this universal truth, the Montgomery County Chapter of MOAA heartily endorses an amendment to Bill 17-18 which would effect the extension to surviving spouses meeting specified eligibility criteria. We ask for your Favorable action on the proposed amendment.

It is with respect that I thank you for this opportunity to share the views and concerns of the Montgomery County Chapter on this legislation. I will be happy to answer any questions that you may have.

Respectfully submitted:

  
Captain David H Peterson, NOAA (Ret)  
President, Montgomery County Chapter.

3

My name is Reba Heyman.  
I have lived in my house on Lorre Drive in Rockville for 57 years.

I couldn't send back the signed form for this year's Property Tax Credit by the April 2 deadline because I didn't receive it in time. Instead of being forwarded to my temporary address by the US Post Office, it was delivered to my Lorre Drive address. About 1/3 of my first class mail was not forwarded. I didn't realize this at the time because I had changed the address with my credit card companies and bank statements because of forwarding issues with the Post Office in previous years. My gas and electric bills are paid automatically each month.

As soon as I discovered the property tax rebate form, I called the Finance Office and immediately signed the form and mailed it on April 5.

It is not necessary to return a form every year as Montgomery County has the original documents submitted in 2017.

Thank you for consideration of Expedited Bill 17-18 Property Tax Credit.

Reba Heyman  
1706 Lorre Drive  
Rockville Maryland 20852

## Email Viewer

Message	Details	Attachments	Headers
Source			

[HTML](#)

From: "Elizabeth Loggia" <egloggia@gmail.com>

Date: 6/4/2018 4:47:59 PM

To: "county.council@montgomerycountymd.gov" <county.council@montgomerycountymd.gov>

Cc:

Subject: Bill 17-18 Property tax credit -- some suggestions

It makes sense to provide for an application process that is simplified by requiring a homeowner to submit an application once every five years, as long as he/she is qualified, rather than to have to reapply every year.

A few suggestions:

The application deadline should be better publicized, and extensions should be permitted.

Deeds to property are available on line over the Internet at the website

<https://mdlandrec.net/main/index.cfm>

Rather than require an aging homeowner to try to find the original deed to the property, why doesn't the Department of Revenue pull the deed from the website? Once recorded, that is the official document, superseding the homeowner's copy.

If a homeowner wants to submit a birth certificate rather than a driver's license, and the homeowner has changed her name through marriage or otherwise, how is that accounted for?

Thank you for your consideration of these comments.

Elizabeth Loggia  
301-869-7469 (home)

[Close](#)