



Bill No. 23-03

Concerning: Amend Senior Citizens' Local Supplement to Homeowners Property Tax Credit

Introduced: February 7, 2023

Revised: March 21, 2023 Draft No.

Enacted:

Effective:

Expires: May 8, 2023

Frederick County Code, Chapter 1-8

Section(s) 66

COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

By: Council Members Steve McKay, Mason Carter, Vice President Kavonté Duckett, and President Brad Young

AN ACT to: Expand the income eligibility for senior citizens, revise the property tax credit to 30% and 50% for the two tiers of eligible income, and increase the home value limitation to \$500,000 for the senior citizens' supplement to homeowners property tax credit.

Executive: _____ Date Received: _____

Approved: _____ Date: _____

Vetoed: _____ Date: _____

By amending:

Frederick County Code, Chapter, 1-8 Section(s) 66

Other: _____

Boldface

Heading or defined term.

Underlining

Added to existing law by original bill.

[Single boldface brackets with strikethrough] *Deleted from existing law by original bill.*

Existing law unaffected by bill.

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The County Council of Frederick County, Maryland, finds it necessary and proper to expand the income eligibility for senior citizens, revise the property tax credit to 30% and 50% for the two tiers of eligible income, and increase the home value limitation to \$500,000 for the senior citizens' supplement to homeowners property tax credit.

NOW, THEREFORE, BE IT ENACTED, BY THE COUNTY COUNCIL OF FREDERICK COUNTY, MARYLAND that the Frederick County Code be, and it is hereby, amended as shown on the attached Exhibit 1.

Brad W. Young, President
County Council of Frederick County,
Maryland

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2 **§ 1-8-66. SENIOR CITIZENS' LOCAL SUPPLEMENT TO HOMEOWNERS**
 3 **PROPERTY TAX CREDIT.**

4 (A) This tax credit supplement shall be known as the "senior citizens' local supplement to
 5 homeowners property tax credit" and is authorized by, and subject to, the provisions of the Md.
 6 Code Ann., Tax Property Article, §§ 9-104, 9-215 and 9-245, except as specifically amended
 7 herein.

8 (B) Except as otherwise expressly stated in this section, all eligibility requirements, statutory
 9 definitions, restrictions and procedures that apply to the homeowners property tax credit granted
 10 under Md. Code Ann., Tax Property Article, § 9-104, also apply to this senior citizens' local
 11 supplement to homeowners property tax credit.

12 (C) Eligibility for this senior citizens' local supplement.

13 (1) Taxpayers must be at least 65 years old as of the end of the calendar year preceding the
 14 taxable year for which the senior citizens' local supplement tax credit is sought; and

15 (2) Taxpayers must not have a combined gross household income exceeding
 16 [\$80,000.00]\$100,000.

17 (a) If taxpayers have a combined gross household income of [\$30,000.00]\$50,000 or less,
 18 the amount of the senior citizens' local supplement to the homeowners property tax credit is
 19 equal to [40%]50% of the net Frederick County real property tax after adjustment for all other
 20 credits and exemptions.

21 (b) If taxpayers have a combined gross household income greater than
 22 [\$30,000.00]\$50,000, but not more than [\$80,000.00]\$100,000, the amount of the senior citizens'
 23 local supplement to the homeowners property tax credit is equal to [20%]30% of the net
 24 Frederick County real property tax after adjustment for all other credits and exemptions.

25 **(c) The amount of the combined gross household income that shall be applied to**
 26 **subsection (2), including (2)(a) and (2)(b), shall be adjusted each year following the**
 27 **effective date of this bill, to reflect changes in the Consumer Price Index. The**
 28 **adjusted value of each combined gross household income value stated in subsection**
 29 **(2) shall be determined by multiplying the income amount by a fraction:**

31 (i) **The numerator of which is the Consumer Price Index (as defined in**
 32 **subsection (iv) below) as of January of the year for which the adjustment is**
 33 **being made, and**

34 (ii) **The denominator of which is the Consumer Price Index (as defined in**
 35 **subsection (iv) below) as of January of the preceding year for which the**
 36 **adjustment is being made.**

37 (iii) **The adjustment shall not result in a negative change to the combined gross**
 38 **household income value. Should the adjustment be lower, the combined gross**
 39 **household income shall remain the same as the previous year.**

Underlining indicates entirely new matter added to existing law.

[Single boldface brackets] indicates matter deleted from existing law.

*** - indicates existing law unaffected by bill

Double underlining boldface indicates matter added by Amendment.

[[Double bracket]] boldface and strikethrough indicates matter deleted by Amendment

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(iv) **Consumer Price Index: Adjustments to the combined gross household income will be based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) Washington-Arlington-Alexandria, DC-VA-MD-WV, All Items, 1982-84=100, published bi-monthly by the Bureau of Labor Statistics. In the event the Bureaus of Labor Statistics abandons publication of the above-referenced index, the Frederick County Treasury Department shall adopt any other index which, in its judgment, provides an accurate measure of cost-of-living changes, pending amendment to this Section 1-8-66.**

(D) The amount of this senior citizens' local supplement tax credit may not exceed the amount due for net Frederick County real property tax. This senior citizens' local supplement tax credit does not apply to other than county real property tax; it does not apply to excise or other taxes such as fire or to special assessments. This property tax credit is only granted on the taxes resulting from the first **\$300,000.00** **\$350,000** of assessed value of the property.

(E) The property tax credit authorized by this section shall apply only in taxable years beginning on or after July 1, 2024 [This bill shall take effect July 1, 2019].

(F) This senior citizens' local supplement to homeowners property tax credit is to be administered by the Maryland Department of Assessments and Taxation ("SDAT") with respect to its application and determination of eligibility of homeowners. Frederick County shall reimburse SDAT for the reasonable cost of administering this senior citizens' local supplement to homeowners property tax credit as required by the Md. Code Ann., Tax Property Article, § 9-215. To the extent that Frederick County rules or regulations may be required with respect to this senior citizens' local supplement to homeowners property tax credit, authority to promulgate these rules and regulations is delegated to the Director, Division of Finance, Frederick County Government.

(G) A person who knowingly submits a false or fraudulent application, or withholds information, to obtain a tax credit under this section must repay Frederick County for all amounts credited and all accrued interest and penalties that would apply to those amounts as overdue taxes and, in addition, is subject to all fines and other penalties as may be provided by law. Frederick County may enforce this section by appropriate legal action. A person who violates this section is liable for all court costs and expenses of the county in any civil action brought by Frederick County against the violator.

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