Introduced 9.08.2026
Public Hearing 9.22.2026
Council Action 10.05.2026
Executive Action 10.15.2026
Effective Date 12.15.2026

County Council of Howard County, Maryland

2026 Legislative Session — Legislative Day No. 11

Bill No. 52 2026

Introduced by the Chairperson at the request of the County Executive

SHORT TITLE: Credit for Day Care Providers and Additional Childcare Credits

TITLE: AN ACT for the purpose of repealing the current credit for day care provider, family day-care homes and group care centers and replacing the repealed credit with separate credits for certain day care providers and day care credits for large child care centers consistent with State law authority; and generally relating to property tax credits for real property owned by certain day care providers.

Introduced and read first time Sep 8, 2026. Ordered posted and hearing scheduled.

By order Michelle Harrod
Michelle Harrod, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on Sep 22+23, 2026.

By order Michelle Harrod
Michelle Harrod, Administrator

This Bill was read the third time on Oct 5, 2026 and Passed ___, Passed with amendments _____, Failed _____.

By order Michelle Harrod
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 6 day of Oct, 2026 at 5:00 a.m./p.m.

By order Michelle Harrod
Michelle Harrod, Administrator

Approved by the County Executive October 15, 2026

Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

Section 1. Be It Enacted *by the County Council of Howard County, Maryland, that the Howard County Code is amended as follows:*

By repealing:

Title 20. "Taxes, Charges and Fees"

Subtitle 1. "Real Property Tax; Administration, Credits, and Enforcement"

Part II. Statewide Tax Credits.

Section 20.115. "Credit for day care providers; credit for family day care homes or group day care centers."

By enacting:

Title 20. "Taxes, Charges and Fees"

Subtitle 1. "Real Property Tax; Administration, Credits, and Enforcement"

Part II. Statewide Tax Credits.

Section 20.115. "Credit for certain day care providers."

Title 20. "Taxes, Charges and Fees"

Subtitle 1. "Real Property Tax; Administration, Credits, and Enforcement"

Part II. Statewide Tax Credits.

Section 20.115A. "Additional Childcare Credits."

Title 20. Taxes, Charges, and Fees.

Subtitle 1. Real Property Tax; Administration, Credits, and Enforcement.

Part II. Statewide Tax Credits.

SECTION 20.115. CREDIT FOR CERTAIN DAY CARE PROVIDERS.

(A) *DEFINITIONS.* IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED:

(1) *CHILD CARE CENTER* SHALL HAVE THE MEANING SET FORTH IN SECTION 9.5-401 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(2) *DAY CARE CENTER FOR ADULTS* SHALL HAVE THE MEANING SET FORTH IN SECTION 14-301 OF THE HEALTH-GENERAL ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(3) *DAY CARE CENTER FOR THE ELDERLY* SHALL HAVE THE MEANING SET FORTH IN SECTION 14-201 OF THE HEALTH-GENERAL ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(4) *FAMILY CHILD CARE HOME* SHALL HAVE THE MEANING SET FORTH IN SECTION 9.5-301 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(5) *LARGE FAMILY CHILD CARE HOME* SHALL HAVE THE MEANING SET FORTH IN SECTION 9.5-301 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(B) *AUTHORITY AND ELIGIBILITY.* IN ACCORDANCE WITH SECTION 9-213 OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, THERE IS A HOWARD COUNTY PROPERTY TAX CREDIT AGAINST THE GENERAL COUNTY TAX ON THAT PORTION OF REAL PROPERTY, INCLUDING ANY IMPROVEMENT, THAT CONTAINS AN AREA SET ASIDE AND DEDICATED EXCLUSIVELY FOR A DAY CARE CENTER THAT IS:

(1) REGISTERED AS A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME UNDER TITLE 9.5, SUBTITLE 3 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND;

(2) LICENSED AS A CHILD CARE CENTER UNDER TITLE 9.5, SUBTITLE 4 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND;

(3) LICENSED AS A DAY CARE CENTER FOR THE ELDERLY UNDER TITLE 14, SUBTITLE 2 OF THE HEALTH-GENERAL ARTICLE OF THE ANNOTATED CODE OF MARYLAND; OR

(4) LICENSED AS A DAY CARE CENTER FOR ADULTS UNDER TITLE 14, SUBTITLE 3 OF THE HEALTH-GENERAL ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(C) *AMOUNT AND LIMITATION ON TAX CREDIT.* THE TAX CREDIT SHALL NOT EXCEED THE LESSER OF:

(1) $5,000 ANNUALLY; OR

(2) THE AMOUNT OF PROPERTY TAX ATTRIBUTABLE TO THAT PORTION OF PROPERTY FOR WHICH THE CREDIT WAS GRANTED.

(D) *ADDITIONAL CONDITIONS.* A CREDIT UNDER THIS SECTION MAY NOT BE GRANTED IF THE REAL PROPERTY QUALIFIES FOR A CREDIT UNDER SECTION 20.115A OF THIS SUBTITLE.

(E) *FINANCE TO ADMINISTER.* THE DEPARTMENT OF FINANCE SHALL ADMINISTER THE PROVISIONS OF THIS SECTION AND MAY ADOPT RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THIS SECTION.

(F) *APPLICATION AND ANNUAL VERIFICATION.* ON OR BEFORE THE DATE THAT THE DEPARTMENT SETS, AN APPLICANT SEEKING A CREDIT UNDER THIS SECTION SHALL SUBMIT TO THE DEPARTMENT OF FINANCE:

(1) AN APPLICATION IN THE FORM THAT THE DEPARTMENT REQUIRES; AND

(2) DURING EACH SUBSEQUENT YEAR, THE VERIFICATION THAT THE DEPARTMENT REQUIRES TO SHOW THAT THE APPLICANT REMAINS QUALIFIED FOR THE CREDIT, WHICH MAY INCLUDE A CERTIFICATION THAT THE PROPERTY IS LICENSED, REGISTERED OR ACCREDITED BY THE STATE.

(3) FOR A PROPERTY TO BE ELIGIBLE FOR THE CREDIT, THE APPLICANT SHALL AGREE IN WRITING THAT THE DAY CARE PROVIDER SHALL ACCEPT CHILDREN AND OR ADULTS REGARDLESS OF RACE, CREED, SEX, SEXUAL PREFERENCE, AGE, NATIONAL ORIGIN OR POLITICAL AFFILIATION.

(F) *PUBLICITY.* THE DEPARTMENT OF FINANCE SHALL PUBLICIZE THE CREDIT AUTHORIZED BY THIS SECTION IN A WAY DESIGNED TO INFORM THOSE MOST LIKELY TO BENEFIT FROM THE CREDIT.

SECTION 20.115A. ADDITIONAL DAY CARE CREDITS -CERTAIN LARGE CHILD CARE CENTERS.

(A) *DEFINITIONS.* IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED:

(1) *CHILD CARE CENTER* SHALL HAVE THE MEANING SET FORTH IN SECTION 9.5-401 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(2) *FAMILY CHILD CARE HOME* SHALL HAVE THE MEANING SET FORTH IN SECTION 9.5-301 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(3) *LARGE FAMILY CHILD CARE HOME* SHALL HAVE THE MEANING SET FORTH IN SECTION 9.5-301 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(B) *AUTHORITY AND ELIGIBILITY.* IN ACCORDANCE WITH THE PROVISIONS OF § 9-214 OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, THERE IS A HOWARD COUNTY PROPERTY TAX CREDIT AGAINST THE GENERAL COUNTY TAX ON THAT PORTION OF THE REAL PROPERTY ON WHICH AN IMPROVEMENT IS SUBSTANTIALLY COMPLETED IF:

(1) THE PROPERTY IS OWNED BY A BUSINESS HAVING AT LEAST 25 EMPLOYEES; AND

(2) THE IMPROVEMENT CONTAINS AN AREA SET ASIDE AND DEDICATED EXCLUSIVELY FOR A CHILD CARE CENTER THAT IS:

(I) REGISTERED AS A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME UNDER TITLE 9.5, SUBTITLE 3 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND; OR

(II) LICENSED AS A CHILD CARE CENTER UNDER TITLE 9.5, SUBTITLE 4 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(C) *LIMITATION ON TAX CREDIT.* THE PROPERTY TAX CREDIT SHALL NOT EXCEED THE LESSER OF:

(1) $10,000 ANNUALLY; OR

(2) THE AMOUNT OF COUNTY PROPERTY TAX ATTRIBUTABLE TO THAT PORTION OF PROPERTY ON WHICH THE CREDIT WAS GRANTED.

(D) *ADDITIONAL CONDITIONS.* A CREDIT UNDER THIS SECTION MAY NOT BE GRANTED IF THE REAL PROPERTY QUALIFIES FOR A CREDIT UNDER SECTION 20.115 OF THIS SUBTITLE.

(E) *FINANCE TO ADMINISTER.* THE DEPARTMENT OF FINANCE SHALL ADMINISTER THE PROVISIONS OF THIS SECTION AND MAY ADOPT RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THIS SECTION.

(F) *APPLICATION AND ANNUAL VERIFICATION.* ON OR BEFORE THE DATE THAT THE DEPARTMENT SETS, AN APPLICANT SEEKING A CREDIT UNDER THIS SECTION SHALL SUBMIT TO THE DEPARTMENT OF FINANCE:

(1) AN APPLICATION IN THE FORM THAT THE DEPARTMENT REQUIRES; AND

(2) DURING EACH SUBSEQUENT YEAR, THE VERIFICATION THAT THE DEPARTMENT REQUIRES TO SHOW THAT THE APPLICANT REMAINS QUALIFIED FOR THE CREDIT WHICH MAY INCLUDE A CERTIFICATION THAT THE PROPERTY IS LICENSED, REGISTERED OR ACCREDITED BY THE STATE.

(3) FOR A PROPERTY TO BE ELIGIBLE FOR THE CREDIT, THE APPLICANT SHALL AGREE IN WRITING THAT THE DAY CARE PROVIDER SHALL ACCEPT CHILDREN REGARDLESS OF RACE, COLOR, CREED, SEX, SEXUAL PREFERENCE, AGE, NATIONAL ORIGIN OR POLITICAL AFFILIATION.

(G) *PUBLICITY.* THE DEPARTMENT OF FINANCE SHALL PUBLICIZE THE CREDIT AUTHORIZED BY THIS SECTION IN A WAY DESIGNED TO INFORM THOSE MOST LIKELY TO BENEFIT FROM THE CREDIT.

Section 2. And Be It Further Enacted *by the County Council of Howard County, Maryland that this Act shall apply beginning with the tax year that begins July 1, 2027.*

Section 3. And Be It Further Enacted *by the County Council of Howard County, Maryland that this Act shall become effective 61 days after its enactment.*

Howard County
Internal Memorandum

Subject: Testimony on Daycare Tax Credit.

To: Brandee Ganz
Chief Administrative Officer

From: Rafiu Ighile *ROI*
Director of Finance

Date: August 27, 2026

The purpose of this legislation is to repeal the current credit for day care provider, family day-care homes or group care centers and re-enacting credits for certain day care providers and additional day care credits for large childcare centers consistent with State law authority; and generally relating to property tax credits for real property owned by certain day care providers.

The County currently has over 400 child and adult care providers. This current supply of providers is inadequate to meet the need of our community particularly for our Howard County children from newborn to the age of 3 years old. Furthermore, there continues to be waitlist for before and after care for school aged children. Assuming all current providers would meet eligibility requirements and would qualify for maximum day care tax credit, the annual tax credit support would be approximately $3.2 million.

Ultimately, these credits will help to keep care services affordable and available for families, strengthen and promote local businesses, and support a more reliable workforce. Most importantly, this investment makes it easier for residents to find the care they need and helps maintain a strong, stable community.

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on October 15, 2026.

Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2026.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2026.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2026.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2026.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2026.

_____
Michelle R. Harrod, Administrator to the County Council