



Internal Memorandum

Subject: Testimony on CB 41-2018

Date: June 8, 2018

To: Lonnie R. Robbins
Chief Administrative Officer

From: Jennifer Sager
Legislative Coordinator

Summary:

The Administration has filed Council Bill No. 41-2018 to amend the property tax credit for individuals who are a retired member of the Armed Forces of the United States that is currently set forth in Section 20.129E of the County Code. CB 41 will provide that certain surviving spouses are eligible to receive the credit. The authority for this amendment was enabled during the 2018 session of the General Assembly through passage of HB 502. The proposed legislation would provide a property tax credit to the surviving spouse, who has not remarried, of a retired member of the Armed Forces who is at least 65 years old. The amount of the credit is 20% of the eligible County tax for a period of up to 5 years as long as the property owner remains qualified.

Fiscal Impact:

The Department of Finance reports that 182 households received the tax credit at a value of \$151,196 under the current provisions of Section 20.129E. A fiscal estimate for the expansion of the tax credit to apply to surviving spouses requires data on, a) present-day count of surviving spouses; and, b) a mortality rate for retired members of the Armed Forces that are currently married and receiving the credit in FY18. These two data points are not available to the County. Therefore, the County will use the existing value of the credit as its budget projection for FY19.