

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council of Howard County, Maryland

2025 Legislative Session

Legislative Day No. 13

Bill No. 60 -2025

Introduced by the Chairperson at the request of the County Executive

SHORT TITLE: Property Tax Credit for Seniors and Property Tax Credit for Seniors and Retired Military Personnel –Amendments

AN ACT amending the Property Tax Credit for Seniors in order to amend certain eligibility requirements; amending the Property Tax Credit for Seniors and Retired Military in order to increase the duration of the tax credit to 10 years; and generally relating to the property tax credit for seniors and military personnel.

Introduced and read first time _____, 2025. Ordered posted and hearing scheduled.

By order _____
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 _____, 2025.

By order _____
Michelle Harrod, Administrator

This Bill was read the third time on _____, 2025 and Passed ___, Passed with amendments ____, Failed ____.

By order _____
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this _____ day of _____, 2025 at ___ a.m./p.m.

By order _____
Michelle Harrod, Administrator

Approved by the County Executive _____, 2025

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.

1 **WHEREAS**, the County wishes to make certain immediate changes to the property tax credit for
2 senior citizens and the property tax credit for seniors and retired military personnel (known as the “Aging
3 in Place” tax credit); and
4

5 **WHEREAS**, these immediate changes will allow more senior citizens to access the tax credits,
6 which aligns with the Age-Friendly Howard County Action Plan; and
7

8 **WHEREAS**, the County Executive intends to establish, by separate Executive Order, a
9 temporary commission to review the impact of the aging-in-place tax credit, property tax credit for
10 seniors, and real property tax deferrals for elderly homeowners.
11

12 ***NOW, THEREFORE,***
13

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

16 *By amending:*

17 *Title 20. - “Taxes, Charges, and Fees”*

18 *Subtitle 1. “Real Property Tax; Administration, Credits, and*
19 *Enforcement”*

20 *Section 20.129. “Property tax credit for senior citizens”*
21

22 *Section 20.129E. “Property tax credit for seniors and retired*
23 *military personnel.”*
24

25 **Title 20. – Taxes, Charges and Fees**

26 **Subtitle 1. Real Property Tax; Administration, Credits, and Enforcement.**
27

28 **Section 20.129. Property tax credit for senior citizens.**

29 ***(a) Definitions:***

30 (1) In this section, the following terms have the meanings indicated:

31 (2) *Combined income* means the combined gross income of all individuals who actually
32 reside in a dwelling except an individual who:

1 (i) Is a dependent of the homeowner under § 152 of the Internal Revenue Code; or

2 (ii) Pays a reasonable amount for rent or room and board.

3 (3) *Net worth* means, after deducting outstanding liabilities, the sum of the current market
4 value of all assets:

5 (i) Including real property, cash, savings accounts, stocks, bonds, and other investments;
6 but

7 (ii) Not including the dwelling for which a property tax credit is sought under this
8 section, the cash value of any life insurance policies on the life of the homeowner,
9 and tangible personal property.

10 (b) *Credit Established:*

11 (1) In accordance with section 9-245 of the Tax-Property Article of the Annotated Code of
12 Maryland, the owner of real property may receive a property tax credit against the
13 County property tax imposed on the property if the property is owned, wholly or partly,
14 by an individual:

15 (i) Who is at least 65 years old;

16 (ii) Who uses the property as the individual's principal residence for at least the period
17 that would be required to qualify for the credit under section 9-104 of the Tax-
18 Property Article of the Maryland Annotated Code;

19 (iii) Who lives in a household with a combined income that does not exceed 500 percent
20 of the most recent poverty guidelines for a household of two individuals updated
21 periodically in the Federal Register by the United States Department of Health and
22 Human Services under 42 U.S.C. 9902(2); and

23 [[(iv) Who lives in a household with a combined net worth that does not exceed
24 \$500,000.00.]]

25 (IV) WHO LIVES IN A HOUSEHOLD:

26 1. FOR TAX YEAR 2025, WITH A COMBINED NET WORTH THAT DOES NOT EXCEED
27 \$800,000; AND

28 2. FOR TAX YEAR 2026, AND AFTER, THE DEPARTMENT OF FINANCE SHALL ADJUST
29 THE MAXIMUM ALLOWABLE AMOUNT OF COMBINED HOUSEHOLD NET WORTH TO
30 ACCOUNT FOR INFLATION AS FOLLOWS:

- 1 A. THE DEPARTMENT OF FINANCE SHALL MAKE ANNUAL ADJUSTMENTS FOR
2 INFLATION BASED ON THE CONSUMER PRICE INDEX FOR ALL URBAN
3 CONSUMERS (CPI-U) FOR THE BALTIMORE-COLUMBIA-TOWSON, MD AREA, OR
4 A SUCCESSOR INDEX, PUBLISHED BY THE BUREAU OF LABOR STATISTICS OF THE
5 UNITED STATES DEPARTMENT OF LABOR; AND
- 6 B. THE DEPARTMENT OF FINANCE SHALL MAKE NOTIFICATION OF THE ADJUSTED
7 MAXIMUM COMBINED NET WORTH TO THE PUBLIC NO LATER THAN THE LAST
8 DAY OF FEBRUARY IN EACH TAX YEAR SUBSEQUENT TO TAX YEAR 2025.
- 9 (2) The amount of the credit shall equal 25 percent of the County property tax due in the
10 current year after applying the homestead credit authorized under section 9-105 of the
11 Tax-Property Article of the Annotated Code of Maryland.
- 12 (3) The amount of the credit shall be calculated after all other credits granted for that
13 property under this subtitle or the Tax-Property Article of the Annotated Code of
14 Maryland have been applied so that the credit granted under this section makes up any
15 difference between (i) the sum of all the other property tax credits and (ii) the amount that
16 this credit would be if there were no other credits.
- 17 (4) Property taxes attributable to an increase in the value of the property because of
18 substantial improvements to the property shall be excluded from the calculation described
19 in paragraph (2) of this subsection.
- 20 (c) *Duration of Credit.* The tax credit authorized by this section continues as long as an owner
21 and the property remain qualified under subsection (b) of this section.
- 22 (d) *Application.* To receive the credit, a property owner shall apply for all other credits that may
23 be available for that property and submit an application to the Department of Finance:
24 (1) On the form that the Department of Finance Requires;
25 (2) That demonstrates that the owner is entitled to the credit; and
26 (3) On or before the date that the Department of Finance sets.
- 27 (e) *Administration.* The Department of Finance may adopt guidelines and procedures to
28 administer this section.
- 29 (f) *Publicity:*

(1) The Director of Finance shall develop and carry out a plan to publicize the credit authorized by this section. The plan shall be designed to reach those taxpayers most likely to be eligible for the credit.

(2) The Office of Aging and Independence, or another appropriate unit of County Government that the County Executive selects, shall develop and carry out a plan to educate senior citizens about the credit authorized by this section.

(g) *Effective Date.* The credit authorized by this section applies to tax years beginning after June 30, 2007.

(h) *Report.* Subject to section 22.1000 of the County Code, on or before September 30 of each year, the Department of Finance shall submit a report to the County Council and the County Executive that includes the number of applications and amounts of credits granted under this section.

Section 20.129E. Property tax credit for seniors and retired military personnel.

(a) *Definitions.* In this section, the following terms have the meanings indicated:

(1) Uniformed services of the United States as defined in 10 U.S.C. § 101, the military reserves, or the National Guard.

(2) Dwelling has the meaning set forth in section 9-105 of the Tax-Property Article of the Annotated Code of Maryland.

(3) Eligible County Tax means the amount of County tax on the lesser of \$650,000.00 or the assessed value of the dwelling reduced by the amount of any assessment on which a property tax credit is granted under section 9-105 of the Tax-Property Article of the Annotated Code of Maryland.

(b) *Credit Established and Eligibility.* In accordance with section 9-258 of the Tax-Property Article of the Annotated Code of Maryland, the owner of a dwelling may receive a property tax credit against the County property tax imposed on the property containing the dwelling if the property is owned by an individual:

(1) Who is at least 65 years old and has lived in the same dwelling for the preceding number of years specified in subsection (c) of this section;

(2) Who is at least 65 years old and is a retired member of the Armed Forces of the United States; or

(3) A surviving spouse, who has not remarried, of an individual described in item (2) of this subsection.

(c) *Longevity Qualification.* The longevity qualification provided in subsection (b)(1) of this section is:

(1) Tax year 2022: at least 38 years; and

(2) Tax year 2023 and subsequent tax years: at least 30 years.

(d) *Amount of Credit.* An individual who meets the qualifications of subsection (b) of this section is eligible for a property tax credit equal to 20 percent of the eligible County tax.

(e) *Duration of Credit.* The credit may be granted for a period of up to ~~[[eight]]~~TEN years and as long as the property owner remains qualified under subsection (b) of this section.

(f) *Prohibition.* Notwithstanding subsection (b) of this section, a property owner who is granted a credit under this section may not be granted a credit under section 20-129 of this Code during the same fiscal year.

(g) (1) *Application.* To receive the tax credit, a property owner shall submit an initial application to the Department of Finance:

(i) On the form that the Department of Finance requires;

(ii) That demonstrates that the owner is entitled to the credit; and

(iii) On or before the date that the Department of Finance sets.

(2) The Department of Finance shall automatically renew the tax credit unless the property owner is no longer eligible.

(h) *Administration.* The Department of Finance may adopt guidelines, regulations, or procedures to administer this section.

(i) *Publicity.*

(1) The Director of Finance shall develop and carry out a plan to publicize the credit authorized by this section. The plan shall be designed to reach those taxpayers most likely to be eligible for the credit.

(2) The Office on Aging and Independence, or another appropriate unit of County Government that the County Executive selects, shall develop and carry out a plan to educate senior citizens about the credit authorized by this section.

(j) *Effective Date.* The tax credit authorized by subsection (b) of this section applies to tax years beginning after June 30, 2022.

1
2 ***Section 2. And Be it Further Enacted*** by the County Council of Howard County, Maryland that
3 *this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect*
4 *all eligible property owners beginning in tax year 2025.*

5
6 ***Section 3. And Be It Further Enacted*** by the County Council of Howard County, Maryland that
7 *the County Executive shall establish, by separate Executive Order, a temporary commission that*
8 *will review the impact of the County's aging in place tax credit, property tax credit for seniors,*
9 *and real property tax deferrals for elderly homeowners.*

10
11 ***Section 4. And Be It Further Enacted*** by the County Council of Howard County, Maryland that
12 *this Act shall become effective 61 days after its enactment.*