



House Bill 766

Property Tax Credit - Disabled Military Personnel and Surviving Spouses

MACo Position: **SUPPORT**

To: Ways and Means Committee

Date: February 18, 2020

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 766. The bill alters eligibility criteria of an existing local option property tax credit by adding active duty or retired members of the uniformed services of the United States, disabled veterans, or surviving spouses to the definition of individuals that are eligible recipients of the tax credit.

MACo generally supports legislation that provides broad authority to enact tax incentives for revitalization and tax relief purposes, and welcomes the opportunity to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives. Counties prefer the approach offered by HB 766 as it provides local autonomy to determine the best way to provide these incentives, rather than those that mandate reductions in local revenue sources.

HB 766 authorizes counties to enact the property tax credit and to provide, by law, for the duration of the credit, the maximum assessed value of a dwelling that is eligible for the credit, and, if necessary, any additional eligibility criteria. This will allow each jurisdiction that chooses to enact the credit to tailor it to their specific community needs. Additionally, it gives each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits enabled by the bill.

HB 766 ensures local governments have flexibility in enacting local policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for HB 766.