

SENATE BILL 283

Q1

(PRE-FILED)

4lr0019

CF 4lr0020

By: **Chair, Budget and Taxation Committee (By Request – Departmental – Assessments and Taxation)**

Requested: September 10, 2023

Introduced and read first time: January 10, 2024

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Homeowners' Property Tax Credit – Application – Attestation of Gross Income**

3 FOR the purpose of authorizing an applicant for the homeowners' property tax credit to
4 attest to gross income on an application in lieu of providing an income tax return to
5 the State Department of Assessments and Taxation under certain circumstances;
6 and generally relating to the homeowners' property tax credit.

7 BY repealing and reenacting, with amendments,
8 Article – Tax – Property
9 Section 9–104(l), (m), and (u)
10 Annotated Code of Maryland
11 (2019 Replacement Volume and 2023 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Tax – Property**

15 9–104.

16 (l) (1) On or before the February 15 that precedes the taxable year in which
17 the property tax credit under this section is sought, the Department shall make available
18 that year's property tax credit application form.

19 (2) (I) Except as provided in subsections (m), (u), and (v) of this section,
20 on or before October 1 of the taxable year in which the property tax credit under this section
21 is sought, a homeowner may apply to the Department for a property tax credit under this
22 section.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(II) The application shall be made on the form that the Department provides.

(3) (i) For good cause, the Department may accept an application after October 1 but on or before October 31 of the taxable year.

(ii) The Department shall notify the homeowner in writing of its acceptance or rejection of a late application.

(4) The homeowner shall state under oath that the facts in the application are true.

(5) (I) [To] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, TO substantiate the application, the applicant may be required to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(II) AN APPLICANT WHO IS REQUIRED TO SUBSTANTIATE AN APPLICATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY, UNDER PENALTIES OF PERJURY, ATTEST TO GROSS INCOME IN LIEU OF PROVIDING AN INCOME TAX RETURN IF THE APPLICANT WAS NOT REQUIRED TO AND DID NOT FILE AN INCOME TAX RETURN.

(m) (1) A home purchaser may apply to the Department for a property tax credit under this section after the execution of a contract of sale on the dwelling or settlement on the dwelling by filing an application on the form that the Department provides.

(2) The home purchaser shall state under oath that the facts in the application are true.

(3) (I) [To] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, TO substantiate the application, the Department may require the applicant to provide a copy of an income tax return, or other evidence detailing gross income or net worth.

(II) AN APPLICANT WHO IS REQUIRED TO SUBSTANTIATE AN APPLICATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY, UNDER PENALTIES OF PERJURY, ATTEST TO GROSS INCOME IN LIEU OF PROVIDING AN INCOME TAX RETURN IF THE APPLICANT WAS NOT REQUIRED TO AND DID NOT FILE AN INCOME TAX RETURN.

(4) If the home purchaser files an application for a credit under this section prior to settlement, the purchaser must file this application within 7 working days after the execution of a contract of sale.

(5) Upon receipt of an application prior to settlement, the Department:

(i) may further require the applicant to provide a copy of the executed sale agreement;

(ii) shall determine the amount, if any, of the credit for which the home purchaser is eligible under this section; and

(iii) shall notify the home purchaser in writing of its decision within 5 working days from receipt of the application.

(6) The Department shall adopt regulations governing the application for and granting of a credit before settlement as provided under this section.

(7) On certification by the Department, the Comptroller shall pay to the home purchaser the property tax credit due under this section unless the credit was used to adjust the home purchaser's final tax liability paid at settlement under subsection (r) of this section.

(u) (1) Under the conditions set forth in this subsection, the Department may accept an application from a homeowner within:

(i) 1 year after April 15 of the taxable year for which the property tax credit under this section is sought, if the homeowner:

1. is applying for the first time; or

2. has filed an application on or before October 1 in each of the 3 taxable years immediately preceding the taxable year for which the credit is sought; or

(ii) 3 years after April 15 of the taxable year for which a credit is sought, if the homeowner:

1. is at least 70 years old as of the taxable year for which a credit is sought; and

2. was eligible for the credit under this section for the taxable year for which the credit is sought.

(2) A homeowner may apply to the Department for a property tax credit under this section by filing an application on the form that the Department provides.

(3) The homeowner shall state under oath that the facts in the application are true.

1 (4) **(I) [To] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
2 **PARAGRAPH, TO** substantiate the application, the Department may require the
3 homeowner to provide a copy of an income tax return, or other evidence detailing gross
4 income or net worth.

5 **(II) A HOMEOWNER WHO IS REQUIRED TO SUBSTANTIATE AN**
6 **APPLICATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY, UNDER**
7 **PENALTIES OF PERJURY, ATTEST TO GROSS INCOME IN LIEU OF PROVIDING AN**
8 **INCOME TAX RETURN IF THE HOMEOWNER WAS NOT REQUIRED TO AND DID NOT FILE**
9 **AN INCOME TAX RETURN.**

10 (5) On certification by the Department, the Comptroller shall pay to the
11 homeowner the property tax credit due under this section.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
13 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.