

SENATE BILL 25

Q1

4lr1166

(PRE-FILED)

By: **Senator Klausmeier**

Requested: October 25, 2023

Introduced and read first time: January 10, 2024

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 25, 2024

CHAPTER _____

1 AN ACT concerning

2 **Property Tax Credit – Disabled or Fallen Law Enforcement Officer or Rescue**
3 **Worker – Alterations**

4 FOR the purpose of altering, for purposes of a certain property tax credit for a certain
5 dwelling, the definition of “fallen law enforcement officer or rescue worker” to include
6 disabled law enforcement officers or rescue workers who have died regardless of the
7 cause of death; repealing a certain requirement, ~~and the authority of a county to~~
8 ~~impose a requirement~~, that, for purposes of eligibility for the credit, the dwelling
9 must have been acquired by the disabled or fallen law enforcement officer or rescue
10 worker or the surviving spouse or cohabitant within a certain number of years after
11 a certain finding; requiring the amount of the credit for a newly acquired dwelling
12 owned by a disabled or fallen law enforcement officer or rescue worker or the
13 surviving spouse or cohabitant to be in the same proportion as the property tax credit
14 for a certain former dwelling; ~~requiring~~ authorizing, under certain circumstances,
15 the amount of the credit for a dwelling owned by a disabled or fallen law enforcement
16 officer or rescue worker or the surviving spouse or cohabitant to be in the same
17 proportion as the property tax credit initially granted for the dwelling; authorizing
18 a county or municipal corporation, notwithstanding certain provisions of this Act, to
19 enact a law limiting eligibility for the tax credit to certain individuals or to limit the
20 number of years a dwelling must be acquired after certain events in order to qualify
21 for the tax credit; and generally relating to a property tax credit for a dwelling owned
22 by a disabled or fallen law enforcement officer or rescue worker or the surviving
23 spouse or cohabitant.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 9–210
Annotated Code of Maryland
(2019 Replacement Volume and 2023 Supplement)

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

Article – Tax – Property

9–210.

(a) (1) In this section the following words have the meanings indicated.

(2) “Cohabitant” means an individual who for a period of at least 180 days
in the year before the death of a fallen law enforcement officer or rescue worker:

(i) had a relationship of mutual interdependence with the fallen law
enforcement officer or rescue worker; and

(ii) resided with the fallen law enforcement officer or rescue worker
in the dwelling.

(3) “Disabled law enforcement officer or rescue worker” means an
individual who:

(i) is a law enforcement officer or rescue worker, as those terms are
defined, by law, by the county or municipal corporation as required under subsection (c) of
this section;

(ii) has been found to be permanently and totally disabled by an
administrative body or court of competent jurisdiction authorized to make such a
determination; and

(iii) became disabled:

1. as a result of or in the course of employment as a law
enforcement officer or a correctional officer; or

2. while in the active service of a fire, rescue, or emergency
medical service, unless the disability was the result of the individual’s own willful
misconduct or abuse of alcohol or drugs.

(4) (i) “Dwelling” means real property that:

1 1. is the legal residence of a disabled law enforcement officer
2 or rescue worker, a surviving spouse, or a cohabitant; and

3 2. is occupied by not more than two families.

4 (ii) “Dwelling” includes the lot or curtilage and structures necessary
5 to use the real property as a residence.

6 (5) “Fallen law enforcement officer or rescue worker” means [an individual
7 who dies]:

8 (i) **AN INDIVIDUAL WHO DIES** as a result of or in the course of
9 employment as a law enforcement officer or a correctional officer; [or]

10 (ii) **AN INDIVIDUAL WHO DIES** while in the active service of a fire,
11 rescue, or emergency medical service, unless the death was the result of the individual’s
12 own willful misconduct or abuse of alcohol or drugs; **OR**

13 **(III) A DISABLED LAW ENFORCEMENT OFFICER OR RESCUE**
14 **WORKER WHO DIES, REGARDLESS OF THE CAUSE OF DEATH.**

15 (6) “Surviving spouse” means a surviving spouse, who has not remarried,
16 of a fallen law enforcement officer or rescue worker.

17 (b) **(1) ~~{The} SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE~~**
18 Mayor and City Council of Baltimore City or the governing body of a county or municipal
19 corporation may grant, by law, a property tax credit under this section against the county
20 or municipal corporation property tax imposed on a dwelling that is owned by a disabled
21 law enforcement officer or rescue worker, a surviving spouse of a fallen law enforcement
22 officer or rescue worker, or a cohabitant:

23 **[(1)] (I)** if the dwelling was owned by the disabled law enforcement officer
24 or rescue worker at the time the law enforcement officer or rescue worker was adjudged to
25 be permanently and totally disabled or by the fallen law enforcement officer or rescue
26 worker at the time of the fallen law enforcement officer’s or rescue worker’s death;

27 **[(2)] (II)** if the disabled law enforcement officer or rescue worker was
28 domiciled in the State as of, or any time within the 5 years before, the date the disabled
29 law enforcement officer or rescue worker was adjudged to be permanently and totally
30 disabled or the fallen law enforcement officer or rescue worker, the surviving spouse, or the
31 cohabitant was domiciled in the State as of, or any time within the 5 years before, the date
32 of the fallen law enforcement officer’s or rescue worker’s death and the dwelling was
33 acquired by the disabled law enforcement officer or rescue worker [within 10 years of the
34 date] **AFTER** the disabled law enforcement officer or rescue worker was adjudged to be
35 permanently and totally disabled or by the surviving spouse or cohabitant [within 10 years
36 of] **AFTER** the fallen law enforcement officer’s or rescue worker’s death; **OR**

1 [(3)] (III) if the dwelling was owned by the surviving spouse or cohabitant
2 at the time of the fallen law enforcement officer's or rescue worker's death[; or].

3 [(4)] (2) [if the] ~~SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,~~
4 ~~FOR FOR~~ A dwelling THAT was acquired after [the] A disabled law enforcement officer or
5 rescue worker, [the] A surviving spouse, or [the] A cohabitant qualified for a credit for a
6 former dwelling under [item (1), (2), or (3)] PARAGRAPH (1) of this subsection, [to the
7 extent of the previous credit] THE CREDIT SHALL BE GRANTED FOR THE NEWLY
8 ACQUIRED DWELLING IN AN AMOUNT THAT REDUCES THE PROPERTY TAXES OWED
9 ON THE NEWLY ACQUIRED DWELLING BY THE SAME PROPORTION AS THE CREDIT
10 REDUCED THE PROPERTY TAXES ON THE FORMER DWELLING.

11 (3) FOR A CREDIT GRANTED IN ACCORDANCE WITH PARAGRAPH (1)
12 OR (2) OF THIS SUBSECTION, IF THE AMOUNT OF PROPERTY TAX IMPOSED ON THE
13 DWELLING INCREASES DURING A TAXABLE YEAR OCCURRING AFTER THE CREDIT IS
14 INITIALLY GRANTED, THE CREDIT FOR THAT TAXABLE YEAR ~~SHALL~~ MAY BE
15 GRANTED IN AN AMOUNT THAT REDUCES THE PROPERTY TAXES OWED ON THE
16 DWELLING BY THE SAME PROPORTION AS THE INITIAL CREDIT REDUCED THE
17 PROPERTY TAXES ON THE DWELLING.

18 (c) A county or municipal corporation:

19 (1) shall define, by law, who is a law enforcement officer or rescue worker;
20 and

21 (2) may ~~provide~~, by law, ~~for~~:

22 (i) NOTWITHSTANDING SUBSECTION (A)(5)(III) OF THIS
23 SECTION, LIMIT ELIGIBILITY FOR THE CREDIT ALLOWED UNDER THIS SECTION TO
24 INDIVIDUALS DESCRIBED UNDER SUBSECTION (A)(5)(I) AND (II) OF THIS SECTION;

25 (ii) ESTABLISH the amount and duration of a property tax credit
26 allowed under this section; ~~AND~~

27 ~~(iii)~~ (III) NOTWITHSTANDING SUBSECTION (B)(1)(II) OF THIS
28 SECTION, PROVIDE FOR any ~~additional~~ limitation to the number of years the dwelling
29 was acquired within the date of an adjudication of disability or death; and

30 ~~(iii)~~ (IV) PROVIDE FOR any other provision necessary to carry out
31 the provisions of this section.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
33 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.