

Prince George's County Council

Agenda Item Summary

Meeting Date: 9/23/2014
Reference No.: CB-069-2014
Draft No.: 1
Proposer(s): County Executive
Sponsor(s): Franklin, Davis, Lehman, Patterson
Item Title: An Act establishing the homestead property tax credit for the County property tax for the taxable year beginning July 1, 2015, as required by State law

Drafter: Beth McCoy, Office of Management and Budget
Resource Personnel: Holly Sun, Office of Management and Budget

LEGISLATIVE HISTORY:

Date Presented:		Executive Action:	10/6/2014 S
Committee Referral:	9/2/2014 - C.O.W.	Effective Date:	11/21/2014

Committee Action: 9/9/2014 - FAV

Date Introduced: 9/2/2014
Public Hearing: 9/23/2014 - 10:00 AM

Council Action (1) 9/23/2014 - ENACTED
Council Votes: WC:A, DLD:A, MRF:A, AH:A, ML:A, EO:A, OP:A, IT:A, KT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

10-241.02

COMMITTEE REPORTS:

COMMITTEE OF THE WHOLE

Date 9/9/2014

Committee of the Whole Vote: Favorable – 9-0 (In favor: Council Members Davis, Campos, Franklin, Harrison, Lehman, Patterson, Toles and Turner).

CB-69-2014, will set the Homestead Property Tax Credit at 102% for the taxable year beginning July 1, 2015. The Annotated Code of Maryland, Tax - Property Article, Section 9 -105(e), requires that on or before November 15th of each year, the County should determine the homestead property tax credit percentage for the taxable year beginning the following July 1. The Office of Management and Budget (OMB) has determined based on the recent changes in the Consumer Price Index (CPI) that the homestead property tax credit percentage be set at 102% for the taxable year beginning July 1, 2015 (FY 2016), which is the same as the current rate that began on July 1, 2014.

The Office of Law has reviewed this bill and finds it to be in proper legislative form with no legal impediments to its enactment.

There will be no additional revenue loss to the County with the enactment of CB-69-2014 unless there is significant change in the annual tax assessments prepared by State Department of Assessments and Taxation before the end of

2014.

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

This legislation will establish the homestead property tax credit for the County property tax for the taxable year beginning July 1, 2015, as required by State law. Based on recent changes in the Consumer Price Index (CPI), the Homestead Property Tax Credit needs to be set at 102% for the taxable year beginning July 1, 2015. The Homestead Property Tax Credit was created to limit taxable assessment increases on a property owner's principal residence.

CODE INDEX TOPICS:

INCLUSION FILES:
