

## Prince George's County Council

### Agenda Item Summary

<b>Meeting Date:</b>	10/1/2013
<b>Reference No.:</b>	CB-066-2013
<b>Draft No.:</b>	1
<b>Proposer(s):</b>	County Executive
<b>Sponsor(s):</b>	Davis, Lehman, Franklin, Harrison
<b>Item Title:</b>	An Act establishing the homestead property tax credit for the County property tax for the taxable year beginning July 1, 2014, as required by State law

<b>Drafter:</b>	Beth McCoy, Office of Management and Budget
<b>Resource Personnel:</b>	Holly Sun, Office of Management and Budget

#### LEGISLATIVE HISTORY:

<b>Date Presented:</b>	9/10/2013	<b>Executive Action:</b>	11/1/2013 S
<b>Committee Referral:</b>	9/10/2013 - PSFM	<b>Effective Date:</b>	12/17/2013
<b>Committee Action:</b>	9/26/2013 - FAV		
<b>Date Introduced:</b>	10/1/2013		
<b>Public Hearing:</b>	10/29/2013 - 10:00 AM		
<b>Council Action (1)</b>	10/29/2013 - ENACTED		
<b>Council Votes:</b>	WC:A, DLD:A, MRF:-, AH:A, ML:A, EO:A, OP:A, IT:A, KT:A		
<b>Pass/Fail:</b>	P		
<b>Remarks:</b>			

#### AFFECTED CODE SECTIONS:

10-241.02

#### COMMITTEE REPORTS:

#### Public Safety and Fiscal Management

**Date 9/26/2013**

REPORT: COMMITTEE VOTE: Favorable 3-0 (Councilmembers: Toles, Franklin,

and Lehman)

This bill will set the Homestead Property Tax Credit at 102% for the taxable year beginning July 1, 2014. 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, 2014 (FY 2015), which is the same as the current rate that began on July 1, 2013.

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-66-2013 unless there is significant change in the annual tax assessments prepared by State Department of Assessments and Taxation before the end of 2013.

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**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, 2014, as required by State law. Based on recent changes in the Consumer Price Index (CPI), the Homestead Property Tax Credit percentage needs to be set at 102% for the taxable year beginning July 1, 2014. The Homestead Property Tax Credit was created to limit taxable assessment increases on a property owner's principal residence.

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**CODE INDEX TOPICS:**

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**INCLUSION FILES:**

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