

Prince George's County Council Agenda Item Summary

Meeting Date: 10/26/2010
Reference No.: CB-084-2010
Draft No.: 1
Proposer(s): County Executive
Sponsor(s): Dernoga, Exum
Item Title: An Act establishing the homestead property tax credit for the County property tax for the taxable year beginning July 1, 2011, as required by State Law

Drafter: Jim Abernathy, OMB
Resource Personnel: Jim Abernathy, OMB

LEGISLATIVE HISTORY:

Date Presented:	9/7/2010	Executive Action:	11/15/2010 S
Committee Referral:	9/7/2010 - PSFM	Effective Date:	1/3/2011

Committee Action: 9/22/2010 - FAV

Date Introduced: 9/28/2010
Public Hearing: 10/26/2010 - 10:00 AM

Council Action (1) 10/26/2010 - ENACTED
Council Votes: MB:A, WC:A, SHD:A, TD:A, CE:-, AH:A, TK:A, EO:A, IT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

10-241.02

COMMITTEE REPORTS:

Public Safety and Fiscal Management

Date 9/22/2010

COMMITTEE VOTE: Favorable 3-0 (In Favor: Council Members Exum, Dean, and Turner)

This bill will set the Homestead Property Tax Credit at 101% of the taxable year beginning July 1, 2011. The Annotated Code of Maryland, Tax-Property Article, Section 9-105 (e)(2), requires that on or before November 15th of each year, the County shall determine the homestead property tax credit percentage for the taxable year beginning the following July 1. The Office of Management and Budget had determined, based on the recent changes in the Consumer Price Index (CPI) that the homestead property tax credit percentage is to set at 101% for the taxable year beginning July 1, 2011, as compared to the current rate of 100% for the taxable year which began on July 1, 2010.

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

The enactment of CB-84-2010 will have a positive fiscal impact on the County by increasing the property tax revenue by an estimated \$6,777,069 in FY 2012.

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, 2011, 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 101% for the taxable year beginning July 1, 2011. The homestead property tax credit was created to limit taxable assessment increases on a property owner's principal residence.

CODE INDEX TOPICS:

INCLUSION FILES:
