

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2025 Legislative Session

Reference No.: CB-074-2025

Draft No.: 1

Committee: GOFP

Date: Sept 25, 2025

Action: FAV

REPORT: Committee Vote: Favorable, 3-0 (Council Members Watson, Blegay, and Dernoga) Excused Absence: CM, Burroughs, CM Oriadha

The Prince George's County Council's Government Operations and Fiscal Policy Committee convened on September 25, 2025, to consider CB-074-2025, an act concerning the Homestead Property Tax Credit.

Council staff noted that with enactment, this legislation would establish the Homestead Property Tax Credit for the County property tax for the taxable year beginning July 1, 2026, as required by State law for FY 2027. The tax credit limits the extent of significant increases in property taxes because of increased assessments on property. It does this by capping the annual increase on the taxable value of a property. As a result, homeowners are liable for the taxes on the property's value up to the cap, and receive a tax credit for any increase beyond that cap.

Pursuant to Section 9-105(e) of the Tax-Property Article, the homestead property tax credit percentage for Prince George's County shall be one hundred three percent (103%) for the taxable year beginning July 1, 2026. Due to an increase in the accessible tax base, enactment of CB-074-2025 will have a modest fiscal impact on the County, with the County's Homestead Property Tax Credit remaining at 103%.

The Office of Law found the legislation to be in proper legislative form with no legal impediments to adoption.

The Office of the County Executive was represented by Ms. Sonia Owens, Council Liaison and Associate Director, and Chief of Treasury, Cindy Bucci, who also participated in the meeting.

After discussion, Committee Vice-Chair Blegay made a motion, which was seconded by Council Member Dernoga. The Government Operations and Fiscal Policy Committee then voted favorably, 3-0.