

Prince George's County Council

Agenda Item Summary

Meeting Date: 11/17/2015
Reference No.: CB-095-2015
Draft No.: 1
Proposer(s): Glaros, Taveras, Turner, Franklin
Sponsor(s): Glaros, Taveras, Turner, Franklin, Davis, Toles, Lehman, Patterson
Item Title: An Act concerning Renters' Property Tax Relief Supplement for the purpose of requiring the Director of Finance to pay a Renters' Property Tax Relief Supplement to certain residents who qualify for a certain payment under State law.

Drafter: Colette R. Gresham, Legislative Officer
Resource Personnel: Aimee Olivo, Chief of Staff District 3

LEGISLATIVE HISTORY:

Date Presented:	9/29/2015	Executive Action:	11/25/2015 S
Committee Referral:	9/29/2015 - PSFM	Effective Date:	1/11/2016

Committee Action: 10/7/2015 - FAV

Date Introduced: 10/20/2015
Public Hearing: 11/17/2015 - 10:00 AM

Council Action (1) 11/17/2015 - ENACTED
Council Votes: DLD:A, MRF:A, DG:A, AH:A, ML:A, OP:A, DT:A, KT:A, TT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

10-204.03

COMMITTEE REPORTS:

Public Safety and Fiscal Management

Date 10/7/2015

REPORT: Committee Vote: Favorable, 4-0 (In favor: Council Members Harrison, Lehman, Taveras, and Turner)

CB-95-2015 establishes a Renter's Property Tax Relief Supplement for each resident qualifying to receive a payment under the State's Renters Tax Credit program. The County Supplement will be fifty percent (50 %) of the State payment made to the resident.

The Office of Audits and Investigations stated that the report received from the State Department of Assessments and Taxation for FY 2014 indicates that 942 State Renters' Tax Credit Program applications were received from residents within Prince George's County. The State approved 643 applications for credit and those credits total \$233,755.00 with the average of credit being \$364. Enactment of CB-95-2015 will have a negative fiscal impact on the County. Annually, we estimate approximately \$116,878 is Supplemental payment will be paid from County General Funds.

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 Apartment and Building Association (AOBA) supports this bill.

After discussion the Public Safety and Fiscal Management Committee voted, 4-0 favorably on the bill.

BACKGROUND INFORMATION/FISCAL IMPACT:

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

The proposed legislation would require the Director of Finance to pay a Renters' Property Tax Relief Supplement to certain residents who qualify for a payment from the State pursuant to the State "Renters' Tax Credit Program". The State payment to renters is modeled after the Homeowners' Tax Credit (commonly referred to as the "Circuit Breaker"), and is based on the premise that a portion of rent paid by renters is attributable to property tax paid by the owner of the property. The purpose of the State payment is to return some of that money to renters in the same way it is returned to homeowners through the Circuit Breaker payment. Eligibility for the County supplement would be tied to eligibility for the State payment. The County supplement would be 50% of the State payment, which is capped at \$750.

CODE INDEX TOPICS:

INCLUSION FILES:
