

HB 66

Enabling County Tax Credits

Background

Counties in Maryland are able to create tax credits that apply to their local taxes, based on criteria of their choosing. However, the state must empower them to do so by authorizing the credits in state statute. This bill enables counties to make three new tax credits for: 1) helping teachers with housing costs, 2) improving building safety, and 3) addressing the housing crisis.

1. With the Blueprint, Maryland is making great strides to revamp our education system. One key goal is hiring and retaining qualified teachers. One third of educators leave within the first five years. In 2022, 55% of educators contemplated leaving earlier than expected. Maryland imports 50% of teachers from other states. Property tax credits paired with the incentives of the Blueprint will help our current teachers stay and encourage new teachers to work in Maryland.
2. Apartments and condominiums are responsible for significant costs associated with updates to their facilities. This cost is often shared by the residents and can be a burden. Providing financial incentives for making necessary improvements for the health and safety of residents (mold abatement, fire sprinkler installation, etc.) lessens this burden while improving the quality of life for residents.
3. Each year in Maryland, 30,000+ people experience being unhoused¹. There are many government programs and nonprofits doing the hard work of providing people with homes and challenging the societal factors that lead to being unhoused, but they need support. Rental facilities in Maryland have the capacity to participate in these programs and property tax credits would incentivize that participation.

This bill will enable counties to implement local property tax credits:

- ✓ For public school employees who live in the county where they work.
- ✓ For apartments or condos that have made health and life safety improvements to the building.
- ✓ For apartments or condos that, after July 1, 2024, are used for a local housing program to support unhoused families or individuals.

For more information please contact:

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¹ <https://www.hchmd.org/homelessness-maryland>