



Committee: GO
Committee Review: At a future date
Staff: Gene Smith, Legislative Analyst
Purpose: To receive testimony – no vote expected
Keywords: Budget, Taxes

AGENDA ITEM #7
May 4, 2021
Public Hearing

SUBJECT

Resolution to set a property tax credit for income tax offset

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- N/A

DESCRIPTION/ISSUE

Each year the Council may set a property tax credit to offset a portion of the income tax revenue resulting from a County income tax rate that is greater than 2.6%. This credit is automatically provided to each property that is an owner-occupied dwelling of a homeowner.

SUMMARY OF KEY DISCUSSION POINTS

- The Executive recommended a property tax credit of \$692 per eligible property in the recommended FY22 Operating Budget. The FY21 credit was \$692.
- The Council will consider the setting of property tax rates generally, including this property tax credit and the Executive's recommendation, as it considers the FY22 Operating Budget.
- The Government Operations and Fiscal Policy Committee is scheduled to review the Income Tax Offset Credit, as well other property tax rate options, on May 6, 2021.

This report contains:

Executive memo	©1
Proposed Resolution	©2

Alternative format requests for people with disabilities. If you need assistance accessing this report you may [submit alternative format requests](#) to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

March 15, 2021

TO: Tom Hucker, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Property Tax Credit for Income Tax Offset

The purpose of this memorandum is to transmit for introduction by the County Council a resolution to authorize the Property Tax Credit for Income Tax Offset that is included in my FY22 Recommended Operating Budget. If approved by the County Council, this will provide a \$692 property tax credit for each owner-occupied dwelling in the County. I urge the Council to review and adopt this resolution as part of its deliberations on the FY22 Operating Budget.

ME:cmm

Attachment: Resolution - Property Tax Credit for Income Tax Offset

c: Richard S. Madaleno, Chief Administrative Officer
Dale Tibbitts, Special Assistant to the County Executive
Fariba Kassiri, Deputy Chief Administrative Officer
Jennifer Bryant, Director, Office of Management and Budget
Michael J. Coveyou, Director, Department of Finance

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the request of the County Executive

SUBJECT: Property Tax Credit for Income Tax Offset

Background

1. County Code Section 52-11B authorizes the County Council by resolution to set the rate or amount of the property tax credit to offset certain income tax revenues resulting from a County income tax rate greater than 2.6%.
2. The County Executive has recommended the amount of property tax credit under County Code Section 52-11B for the tax year beginning July 1, 2021 to be \$692 for each eligible taxpayer.
3. Notice of public hearing was given, and public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The amount of the property tax credit under County Code Section 52-11B for the tax year beginning July 1, 2021 is \$692 for each eligible taxpayer.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council