



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Gene Smith, Legislative Analyst  
**Purpose:** To receive testimony – no vote expected  
**Keywords:** Budget, Taxes

AGENDA ITEM #15  
April 21, 2020  
**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 \$800 per eligible property in the recommended FY21 Operating Budget. The FY20 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 FY21 Operating Budget.

### **This report contains:**

Executive memo	©1
Proposed Resolution	©2

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

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*Bud, Finance  
Dir.*

Marc Elrich  
County Executive

**MEMORANDUM**

March 16, 2020

TO: Sidney Katz, President, County Council  
FROM: Marc Elrich, County Executive *Marc Elrich*  
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 FY21 Recommended Operating Budget. If approved by the County Council, this will provide a \$800 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 FY21 Operating Budget.

ME:cmm

Attachment: Resolution - Property Tax Credit for Income Tax Offset

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

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: Council President at the request of the County Executive

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**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 higher 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, 2020 to be \$800 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, 2020 is \$800 for each eligible taxpayer.

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
Clerk of the Council