



**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  
Proposed Resolution

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

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*Bud, Fin & Econ  
Dev.*

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