all interest or penalties for failure to pay taxes on or before October 1 shall be calculated on the real property tax liability of the homeowner prior to any reduction in tax liability due to eligibility for a credit under the terms of this section. THE AMOUNT OF TAX CREDIT RECEIVED UNDER THE PROVISIONS OF SECTION 12F-6 OF THIS ARTICLE SHALL BE DEDUCTED FROM THE TOTAL OF REAL PROPERTY TAXES BEFORE DETERMINING THE AMOUNT OF "TOTAL REAL PROPERTY TAXES" FOR CREDIT PURSUANT TO THIS SECTION.

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND~~ SECTION 2. AND BE IT FURTHER ENACTED, That new Section 12F-6 be and it is hereby added to Article 81 – Revenue and Taxes, of the Annotated Code of Maryland (1975 Replacement Volume and 1976 Supplement) to read as follows:

Article 81 – Revenue and Taxes

12F-6.

~~(A) BEGINNING WITH THE TAXABLE YEAR 1977-1978 EACH COUNTY, BALTIMORE CITY AND ANY OTHER INCORPORATED MUNICIPALITY LEVYING A TAX ON REAL PROPERTY SHALL GRANT A HOMEOWNERS' TAX CREDIT IN ACCORDANCE WITH THIS SUBSECTION AGAINST THE PROPERTY TAXES IMPOSED BY THAT JURISDICTION ON REAL PROPERTY, EXCEPT THAT IT APPLIES TO ALL HOMEOWNERS, WHETHER OR NOT THEY ARE 60 YEARS OF AGE OR OLDER.~~

~~(B) THE CREDIT SHALL BE GRANTED PROVIDING THE FOLLOWING CONDITIONS ARE MET:~~

~~(1) THE PROPERTY HAS NOT BEEN TRANSFERRED TO NEW OWNERSHIP DURING THE PREVIOUS CALENDAR YEAR;~~

~~(2) THERE HAS NOT BEEN A CHANGE IN THE ZONING CLASSIFICATION OF THE PROPERTY DURING THE PREVIOUS CALENDAR YEAR, RESULTING IN AN INCREASED VALUE OF THE PROPERTY;~~

~~(3) A SUBSTANTIAL CHANGE HAS NOT OCCURRED IN THE USE OF THE PROPERTY DURING THE PREVIOUS CALENDAR YEAR;~~

~~(4) EXTENSIVE IMPROVEMENTS HAVE NOT BEEN MADE ON THE EXISTING PROPERTY DURING THE PREVIOUS CALENDAR YEAR; AND~~

~~(5) THE ASSESSMENT FOR THE PREVIOUS TAXABLE YEAR WAS NOT CLEARLY ERRONEOUS DUE TO AN ERROR IN CALCULATION OR MEASUREMENT OF IMPROVEMENTS ON THE PROPERTY.~~

~~(C) SUBJECT TO THE PROVISIONS OF PARAGRAPH (B) OF THIS SUBSECTION, THE CREDIT SHALL BE CALCULATED BY SUBTRACTING FROM THE TOTAL ASSESSMENT FOR THAT YEAR THE AMOUNT BY WHICH THAT ASSESSMENT EXCEEDS THE ASSESSMENT~~