

(D) -- AN INCOME TAX CREDIT, NOT TO EXCEED \$75 PER MONTH, SHALL BE ALLOWED FROM STATE AND LOCAL INCOME TAXES UPON THE APPLICATION BY A RENTER FOR THIS TAX CREDIT. THE TAX CREDIT SHALL BE EQUAL TO THE AMOUNT OF ASSUMED REAL PROPERTY TAXES IN EXCESS OF A PERCENTAGE OF THE GROSS INCOME OF THE RENTER. THE PERCENTAGE MAY NOT EXCEED 1.5 PERCENT OF THE FIRST \$4,000 OF GROSS INCOME, 3.5 PERCENT OF THE NEXT \$4,000, 5.5 PERCENT OF THE NEXT \$4,000, 7.5 PERCENT OF THE NEXT \$4,000, AND 9.0 PERCENT OF ALL GROSS INCOME OVER \$16,000. THE CREDIT MAY NOT BE ALLOWED TO ANY RENTER WHOSE COMBINED NET WORTH IS IN EXCESS OF \$200,000 AS OF DECEMBER 31 OF THE TAXABLE YEAR. IN THE CASE OF MULTIPLE RENTERS, THE CREDIT SHALL BE APPORTIONED EQUALLY AMONG THE SEVERAL RENTERS.

Property Taxes - Payments for Elderly and Disabled Renters

FOR the purpose of creating a program of property tax relief for elderly or disabled persons renting a principal place of residence; providing for payments to these renters based on income of a portion of rent attributable to property taxes; providing for the scope of and limitations on the program and the payments; providing for the duties of the State Department of Assessments and Taxation and the State Comptroller under the program; providing for applications for payments and determination and verification of applications; and relating to a program of property tax relief for elderly and disabled renters.

BY adding to

Article 81 - Revenue and Taxes
Section 12F-3
Annotated Code of Maryland
(1975 Replacement Volume and 1978 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 81 - Revenue and Taxes

12F-3.

(A) IN THIS SECTION, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:

(1) "ASSUMED REAL PROPERTY TAX" MEANS 10 PERCENT OF THE OCCUPANCY RENT PAID BY A RENTER DURING THE CALENDAR YEAR.

(2) "COMBINED INCOME" MEANS THE COMBINED GROSS INCOME OF ALL PERSONS ACTUALLY RESIDING IN THE DWELLING EXCEPT THOSE PERSONS WHO ARE DEPENDENTS ACCORDING TO THE INTERNAL REVENUE CODE OR THOSE PERSONS PAYING REASONABLE FIXED CHARGES.