FOR the purpose of allowing an otherwise eligible applicant to receive a tax credit, under certain circumstances under the program of homeowners' property tax credits based on income, even if the applicant is permanently institutionalized due to illness.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes
Section 12F-1(a)(5)
Annotated Code of Maryland
(1975 Replacement Volume and 1979 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 BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows: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-1.

(a) (5) "Dwelling" means the dwelling house of one or more homeowners and the lot or curtilage where it is erected, which is used as the principal residence of that homeowner or homeowners. A dwelling may not be deemed a principal residence which is not actually occupied or expected to be actually occupied by the homeowner or homeowners for more than 6 months of some 12-month period, including July 1 of the taxable year for which the tax credit is sought. A homeowner, otherwise eligible, may qualify for the credit if he does not actually reside in the dwelling for the required time period because of illness or need of special care [that has been diagnosed as temporary in nature or prescribed for a temporary or limited period of time], even if the homeowner requires[, under such circumstances,] institutionalization in a private or public nursing home or medical care facility, and if [during the temporary period] the homeowner rents the dwelling for a period not to exceed 1 year, UNLESS THE DWELLING IS RENTED BY A MEMBER OR MEMBERS OF THE HOMEOWNER'S IMMEDIATE FAMILY OR THE DWELLING IS UNOCCUPIED FOR A PERIOD NOT TO EXCEED 1 YEAR. However, the rent shall be included as gross income for purposes of eligibility as defined in this section. A homeowner or homeowners may claim credit in only one dwelling.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1980.

Approved May 6, 1980.

CHAPTER 452