

(vi) under a land installment contract, as defined in § 10-101 of the Real Property Article; or

(vii) as a holder of a life estate.

(5) "Taxable assessment" means the assessment on which the State, county, or municipal corporation property tax rate was imposed in the preceding taxable year, adjusted by the phased-in assessment increase resulting from a revaluation under § 8-104(c)(1)(iii) of this article, less the amount of any assessment on which a property tax credit under this section is authorized.

(b) If there is an increase in property assessment as calculated under this section, the State and the governing body of each county and of each municipal corporation shall grant a property tax credit under this section against the State, county, and municipal corporation property tax imposed on real property by the State, county, or municipal corporation.

(c) (1) If a dwelling is not used primarily for residential purposes, the Department shall apportion the total property assessment between the part of the dwelling that is used for residential purposes and the part of the dwelling that is not used for residential purposes.

(2) If a homeowner does not actually reside in a dwelling for the required time period because of illness or need of special care and is otherwise eligible for a property tax credit under this section, the homeowner may qualify for the property tax credit under this section.

(3) IF A HOMEOWNER OTHERWISE ELIGIBLE FOR A CREDIT UNDER THIS SECTION DOES NOT ACTUALLY RESIDE IN A DWELLING FOR THE REQUIRED TIME PERIOD BECAUSE THE DWELLING IS DAMAGED DUE TO AN ACCIDENT OR NATURAL DISASTER, THE HOMEOWNER MAY CONTINUE TO QUALIFY FOR A CREDIT UNDER THIS SECTION FOR THE CURRENT TAXABLE YEAR AND 2 SUCCEEDING TAXABLE YEARS EVEN IF THE DWELLING HAS BEEN REMOVED FROM THE ASSESSMENT ROLL IN ACCORDANCE WITH § 10-304 OF THIS ARTICLE.

(d) (1) The Department shall authorize and the State, a county, or a municipal corporation shall grant a property tax credit under this section for a taxable year unless during the previous taxable year:

(i) the dwelling was transferred for consideration to new ownership;

(ii) the value of the dwelling was increased due to a change in the zoning classification of the dwelling initiated or requested by the homeowner or anyone having an interest in the property;

(iii) the use of the dwelling was changed substantially; or

(iv) the assessment of the dwelling was clearly erroneous due to an error in calculation or measurement of improvements on the real property.