

ADDENDUM

GO Item #1
February 22, 2024
Worksession

M E M O R A N D U M

February 21, 2024

TO: Government Operations and Fiscal Policy Committee

FROM: Christine Wellons, Senior Legislative Attorney

SUBJECT: Bill 45-23, Property Tax Credit – Individuals 65 and Above, Retired Military Service Members

PURPOSE: Committee worksession – recommendation expected

Enclosed is an amendment to Bill 45-23 proposed by Chair Stewart. The amendment would establish income eligibility criteria based upon Area Median Income (AMI), as opposed to set dollar amounts. In addition, the amendment would set forth four income tiers instead of three, with a 100% credit available to qualified taxpayers who earn 20% or less of the AMI.

Bill 45-23, Property Tax Credit – Individuals 65 and Above, Retired Military Service Members, and Disabled Military Service Members

Chair Stewart Amendments

The purposes of the amendment are to establish income eligibility criteria based upon Area Median Income (AMI), and to provide a 100% credit to qualified taxpayers who earn 20% or less of the AMI.

After line 5, insert the following.

Area median income or AMI means the median household income for the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area as estimated by the U.S. Department of Housing and Urban Development, adjusted by household size, or its successor.

Amend lines 61-71 to read as follows.

(d) *Amount and duration of credit.*

(1) The credit allowed under this Section is:

- (A) if the annual income of the applicant is more than 60 percent of AMI and equal to or less than [[\$90,000]] 75 percent of AMI, [20%] 20 percent of the County property tax imposed on the dwelling;
- (B) if the annual income of the applicant is more than 40 percent of AMI and equal to or less than [[\$75,000]] 60 percent of AMI, 35 percent of the County property tax imposed on the dwelling; [[and]]
- (C) if the annual income of the applicant is more than 20 percent of AMI and equal to or less than [[\$50,000]] 40 percent of AMI, 50 percent of the County property tax imposed on the dwelling; and
- (D) if the annual income of the applicant is equal to or less than 20 percent of AMI, 100 percent of the County property tax imposed on the dwelling.