

NEWS BRIEF

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MARYLAND HOMEOWNERS

Every three years each homeowner in Maryland receives an updated valuation of their real estate generated by the Maryland Department of Assessment and Taxation. A homestead tax credit limits annually the amount of an increase in the assessment on which an eligible homeowner pays in County, Municipal and State property taxes. It does not limit any increase in the fair market value of your real estate. As a result of a law passed during the 2007 General Assembly session, effective October 1, 2007, in order to preserve your homestead tax credit eligibility, the State of Maryland is requiring that each homeowner submit a one time application through the Department of Assessments and Taxation. The application form is enclosed in your Maryland property tax assessment notice mailed this month. In the past, the credit was automatically given to you if you were eligible because your home was your primary residence and you resided there at least six (6) months of the year including July 1 of the year for which the credit was applicable. Be sure to look for the one time application and complete and submit it. The application must be completed and filed by April 1, 2008 but the Department of Assessments and Taxation strongly suggests earlier filing in order to assure timely processing. The application encourages filing the application electronically at their website below and clicking the homestead eligibility application link. Alternatively, the paper application may be submitted by mail. **If you do not fill out the application, you will not be granted the homestead tax exemption and your tax bill will go up accordingly.** For those of you not subject to reassessment this year, you can still make application for the credit.

If you have further questions you can visit the Maryland Department of Assessments website at <http://www.dat.state.md.us/>. Look on left side of website under property owners. There are two items you can read to verify the information regarding the Homestead Tax Credit:

Homestead Tax Credit Questions:
http://www.dat.state.md.us/sdatweb/Homestead_app.htm

Homestead Eligibility Application:
<https://sdathtc.resiusa.org/homestead/>

This article is not intended to be and should not be taken as legal advice, and is not intended to and does not create any attorney-client relationship. If you have any questions about the impact of the Homestead Tax Credit please feel free to contact any of the lawyers in our Tax and Wealth Group, listed below:

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