



**Frederick County
Government
Frederick, Maryland**

News Release

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COUNTY COMMISSIONERS CONSIDER ENRICHING SENIOR TAX CREDIT

FREDERICK, MD – The Frederick Board of County Commissioners yesterday agreed to explore ways to enrich the Senior Tax Credit that it implemented on July 1, 2012, at the request of the Commission on Aging and a working group that advocated for a tax credit program for seniors with lower incomes.

The Senior Tax Credit supplements the Frederick County Homeowner Tax Credit supplement to the State Homeowner Tax Credit program. Administration of both county credits is handled by the State Department of Assessments and Taxation.

Treasury Director Diane Fox reported to the board that in FY2013, 766 seniors received credits totaling \$223,942. So far in FY2014, 739 seniors received credits totaling \$254,136.

Ms. Fox explained that because of the limitations imposed by the county supplement, there would be no way to meaningfully enrich the Senior Tax Credit unless it was decoupled from the county supplement to be a stand-alone credit. The potential exposure to decoupling and enriching the Senior Citizen Tax Credit ranges from approximately \$1.3 million to over \$6 million, depending on the income level and estimated participation rate.

Board President Blaine Young commented, “This special Senior Tax Credit program was originally proposed by former County Commissioner Bruce Reeder to create an environment so that our seniors and all residents can afford to live and reside in Frederick County with dignity. We have heard many times from residents, especially seniors, that they are being taxed out of the county and state. Our Commission on Aging has found that this issue was one of the major concerns for our seniors.

“This board wants to explore enriching the program because we have pledged to look at the needs of our seniors. Frederick County seniors continue to be adversely affected by current economic conditions. We would like to extend this credit to help our seniors who are already stretched with the costs of living, health care, rising food expenses, utilities and property taxes.”

(more)

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The current real property senior tax credit is 20 percent of net county taxes (up to zero) for homeowners age 65 or more who qualify for the state [Homeowner Tax Credit Program](#) with an income limit of \$60,000. All other qualifications and limitations of the State Homeowner Tax Credit Program apply. The senior tax credit enhances the current county supplement program.

Currently, a homeowner can apply for a Homeowner Tax Credit with the State of Maryland to find financial assistance with his or her real estate taxes. This tax credit is income based, with a \$60,000 annual income limit and a \$200,000 net worth limit. This net worth limit does not include the primary residence. The homeowner must live in the property at least six months out of the year and it must be their primary residence. The program provides a credit on the taxes that result from the first \$300,000 of assessed value and there is no age criterion.

For a copy of the state's instructions for the Homeowner Tax Credit program, visit www.dat.state.md.us/sdatweb/htc.html.

Frederick County offers a supplement to the State Homeowner Tax Credit. The county supplement has no income ceiling, but follows the net worth limitation and assessed value cap of the state credit. The supplemental tax credit is based upon the amount by which the property taxes exceed a percentage of income according to the following formula: 0 percent of the first \$9,000, 5 percent of the next \$1,000, 2.5 percent of the next \$2,000, 5 percent of the next \$4,000, 7.5 percent of the next \$28,000 and 10 percent of any combined gross income over \$44,000.

The Board of County Commissioners will hold a public hearing on enriching the Senior Tax Credit at 9:30 a.m. on April 29 in the first floor hearing room of Winchester Hall, 12 East Church Street, Frederick, Md.

A [fact sheet](#) is available with information about the tax credit. Visit the Department of Aging website (www.FrederickCountyMD.gov/aging) to access the fact sheet.

For additional information, contact Ms. Fox at 301-600-1111 or via e-mail at dfox@FrederickCountyMD.gov or Director Carolyn True, Department of Aging, at 301-600-1605 or via e-mail at cttrue@FrederickCountyMD.gov.

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