

June 14, 2024

Montgomery County Council 100 Maryland Avenue, 4th floor Rockville, MD 20850

RE: Bill 6-24

Dear Montgomery County Council:

I am writing on behalf of the Montgomery County Commission on Aging (CoA) to support, as amended, the proposed legislation, "Bill 6-24, Property Tax Credit –Disabled Veterans". The CoA is authorized by the Older Americans Act, P.L. 116-131, and was established by Montgomery County in 1974 to advise the county government on the needs, interests, and issues of older adult residents, and to advocate on their behalf at the local, state, and national levels. The Commission identifies issues where its voice on the needs of older adults can make a difference.

We are gratified that you have introduced a Bill to provide a new property tax credit to severely disabled, honorably discharged Veterans whose federal adjusted gross income does not exceed \$100,000. The CoA notes that the legislation does not mention how eligibility for this new property tax credit would be affected if the Veteran and spouse are eligible for other tax credits. We suggest the Council clarify if an individual could have more than one tax credit.

Additionally, rather than granting eligibility based on a fixed amount reflecting an individual Veteran's income, the CoA supports an amendment "establish[ing] income eligibility criteria based upon Area Median Income (AMI), [and] set[ing] forth four income tiers instead of three, with a 100% credit available to qualified taxpayers who earn 20% or less of the AMI."

The Commission on Aging also supports a greater effort to help BIPOC Veterans, whose homeownership rates significantly lag those of their white peers, to live in our community. We believe that we have a moral obligation as a community to do more to remedy the racial disparities in homeownership which are in part the result of decades of systemic housing discrimination (link to Mapping Segregation Report). Thus, the CoA also strongly supports the Office of Legislative Oversight's proposed amendment to "establish a tax credit or other financial incentive for severely disabled Veterans who rent their homes." This amendment would help to mitigate the bill's disparate racial impact, which was highlighted in the RESJ analysis.

We encourage the council's quick action to support Montgomery County disabled Veterans impacted by the affordable housing crisis through additional action this session. The Commission

Department of Health and Human Services

County Council June 14, 2024 Page 2 of 2

on Aging supports action on increasing housing affordability for disabled Veterans who rent—this session—by commissioning an OLO report on this proposal.

Concerns about the Bill and amendments being burdensome to implement and administer is an inadequate reason to fail to pass a bill that could enhance racial equity and would support disabled Veterans' ability to live and thrive in their community. We support this bill and encourage its passage by the Council this session, as amended to include robust means testing and to broaden eligibility. Passage of Bill 6-24 is critical given the continued increase in property values in Montgomery County and the desire of many disabled Veterans to remain in their homes.

Best regards,
David Engel, Chair
Montgomery County Commission on Aging