



Veterans Network Directory - Montgomery County, MD

Property Tax Credits

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Montgomery County Property Tax Credits

Disabled Veterans Property Tax Credit

www.montgomerycountymd.gov/Finance/Disabled_Veterans_Property_Tax_Credit.html

Disabled Veterans Property Tax Credit (Bill 6-24) provides for a tax credit against the County Property Tax of a qualified Disabled Veteran or their qualified Surviving Spouse.

- The Property Tax Credit is equal to 50% of the County Tax for Veterans with a service connected disability of 75% or more.
- The Property Tax Credit is equal to 25% of the County Tax for Veterans with a service connected disability between 50 and 74%.
- The Disabled Veteran would not qualify for the Property Tax Credit if they qualify for a Property Tax Exemption under Section 7-208 of the Tax Property Article of the Maryland Code.

Under current guidance from the Department of Finance, the income eligibility for the Disabled Veterans Property Tax Credit is based on the individual veteran's federal adjusted gross income, not household or joint income. This is mandated by State law.

Please note that only one tax credit may be applied per property. Even if both spouses are eligible veterans, they cannot receive separate credits for the same property or file a joint application for a combined benefit. The application must be submitted by one eligible veteran based on their individual income and eligibility.

Individuals 65 and Above and Retired Military Services Members Tax Credit

Department of Finance, Division of Treasury

Attn: Bill 42-16 Tax Credit

27 Courthouse Square, Suite 200

Rockville, Maryland 20850

www.montgomerycountymd.gov/Finance/bill-42-16.html

Download application:

www.montgomerycountymd.gov/Finance/Resources/Files/APPLICATION_Elderly_Individual_Retired_Military.pdf

On March 7, 2017 the Montgomery County Council passed Bill 42-16, which provides a tax credit for people who are over 65 years of age and who either:

- Have owned and lived in the dwelling that they own for at least 40 consecutive years, or
- are retired from one of the United States' armed forces (Air Force, Army, Coast Guard, Marine Corps, Navy), or are retired from the uniformed services of the National Oceanic and Atmospheric Administration or the Public Health Service, or are retired from the military reserves or the National Guard. To meet the Military Retiree requirement, one must be retired from one of these services. Being a veteran of a service but not actually having retired status from that service does not meet the requirements for this tax credit.

To receive this tax credit beginning July 1, 2025, your birthday must be on or before June 30, 1960. For those who are applying as 40+ year owners, your deed must be dated June 30, 1985 or earlier.

The owner who is 65 or over and has owned and lived in the dwelling for at least 40 consecutive years, must be on the deed for the property. The owner who is 65 or over and is a military retiree must also be on the deed for the property. Not all owners must be over 65 or over, just the one that meets the requirements to receive the tax credit, listed above. Not all owners must have owned and lived in the dwelling for at least 40 consecutive years, just the one that meets the requirements above. Not all owners must be retired from the U. S. armed forces, just the one that meets the requirements above.

The tax credit provides a 20% credit, on County property taxes only, only for owner-occupied dwellings for which at least one of the owners meets the eligibility requirements noted above. The credit is granted for 7 consecutive years, and the credit is not available after that 7 year period. There is only one credit—if an owner is 65 or over and has owned and lived in the same dwelling for at least 40 consecutive years, AND that owner is also a military retiree, the tax credit is still a 20% tax credit on County property taxes only, for 7 consecutive years.

Please note that the term “dwelling” means the entire property, not just the home on the land—it includes the land. The assessment on a dwelling is therefore the assessment that is shown on your tax bill, as this includes both the home and the land.

For owners that are at least 65 years of age and have owned and lived in the same dwelling for at least 40 consecutive years, the tax credit is only available if the dwelling has an assessment of \$700,000 or less, at the time of the application for the credit. If the dwelling is assessed at more than \$700,000, then the property is not an eligible property, and no credit will be granted.

For owners that are at least 65 years of age and are military retirees the tax credit is only available if the dwelling has an assessment of \$550,000 or less, at the time of the application for the credit. If the dwelling is assessed at more than \$550,000, then the property is not an eligible property, and no credit will be granted.

Please note that for all properties that are titled in the name of a trust or in the name of the trustees of a trust, an Affidavit Re Trust Ownership must be completed, signed, and submitted with the Tax Credit Application.

Surviving Spouse of Retired Military Service Members Property Tax Credit

Department of Finance, Division of Treasury
Attn: Bill 42-16 Tax Credit
27 Courthouse Square, Suite 200
Rockville, Maryland 20850

www.montgomerycountymd.gov/Finance/bill-42-16.html.

Download the application:

www.montgomerycountymd.gov/Finance/Resources/Files/Surviving_Spouse_Retired_Military.pdf

Bill 17-18 added a provision that allows Surviving Spouses of Military Retirees to receive the tax credit, if their Military Retiree would have been eligible at the time of his or her death, and if the Surviving Spouse never remarried after being married to the Military Retiree. This means that the Military Retiree, at the time of his or her death, would have to have been at least 65 years old, and would have to be retired from the Army, Navy, Air Force, Marines, Coast Guard, the National Guard, the Military Reserves, the uniformed corps of the Public Health Service or the uniformed corps of the National Oceanic and Atmospheric Administration.

Being a veteran of one of the armed services or a veteran of one of the previously mentioned uniformed services is not sufficient—the Military Retiree had to have been retired from one of these services.

To receive a Surviving Spouse tax credit you must provide (1) a copy of the death certificate for the deceased Military Retiree; (2) an affidavit signed by the Surviving Spouse declaring that the Surviving Spouse did not remarry after being married to the Military Retiree; and (3) proof that the Military Retiree was retired from one of the services mentioned above (and not only a veteran of one of those services). Without this documentation your application will be rejected.

The application deadline is April 1 of every year. Approved applications submitted by the April 1 deadline will be processed on the property tax bill that is issued in July in the same year.

Montgomery County legislation under Bill 21-19 expands the property tax credit for surviving spouses of retired military services members. A surviving spouse is eligible for the credit under the following circumstances:

- The individual is a surviving spouse of a retired member of the uniformed services, the military reserves, or the national guard; and
- The surviving spouse is at least 65 years old; and
- The surviving spouse has not remarried.

Maryland State Property Tax Credits

Property Tax Exemption – State of Maryland

A property tax exemption is available to the following individuals, for their primary residence located in the State of Maryland:

- veterans who are 100% disabled for service-connected causes. The exemption passes to the veteran's spouse upon his or her death
- surviving spouse of active duty military personnel who died in the line of duty
- surviving spouse of a totally disabled veteran
- a spouse who receives the dependency and indemnity compensation

Use the links below to download the appropriate form or contact the Montgomery County Assessment office at 240-314-4510 (V), email sdat.mont@maryland.gov.

- **Property Tax Exemption - 100% Disabled Veteran**
<https://dat.maryland.gov/SDAT%20Forms/Disabled-Veteran.pdf>
- **Property Tax Exemption - Surviving Spouse of 100% Disabled Veteran**
https://dat.maryland.gov/Documents/Procedures/009500010_at7.pdf
- **Property Tax Exemption - Surviving Spouse of Active Duty Military Personnel Killed in the Line of Duty**
<https://dat.maryland.gov/SDAT%20Forms/Surviving-Spouse-MilitaryCasualty.pdf>