

Council Bill 2-2026 Fiscal Analysis

Introduced: January 5, 2026

Fiscal Manager: Yusef Ibrahim

Legislative Intent: Council Bill 2-2026 was introduced to amend the County property tax credit for disabled law enforcement officers or rescue workers, and for surviving spouses of fallen law enforcement officers or rescue workers to align County law with Section 9-210 of the Maryland Tax-Property Article.

ANALYSIS

Fiscal Impact:

Impact Area	Financial Detail	Description
<u>FY26 Property Tax Revenues</u>	\$960,923,568	FY26 Council Approved Operating Budget

Council Bill 2-2026 may result in a decrease in County property tax revenues. The bill updates the County's existing property tax credit for disabled public safety officers or judicial officers and for surviving spouses or cohabitants of fallen public safety officers or judicial officers to align County law with State law. The Administration noted that, if the revised eligibility criteria are implemented, additional homeowners may qualify for the credit.

The extent of any revenue decrease cannot be determined at this time because it depends on the number of newly eligible applicants, the assessed value of their qualifying properties, and the duration of eligibility. The Administration reported there are currently 12 recipients who have an average home value of approximately \$530,897. The credit is equal to 100% of County property tax imposed on the dwelling, capped at \$10,000 per year and may be combined with other property tax credits. The total amount of credits claimed for the last 3 fiscal years recorded was \$120,443 (see chart below).

Fiscal Year	Recipients/Credits	Credit Amount
FY25	10	\$48,667
FY24	10	\$44,229
FY23	6	\$27,547
Totals	26	\$120,443

Budget Implications:

FY 2026 Operating Budget Line¹: Total County Property Tax Revenues (\$960,923,598)

This legislation may reduce County property tax revenues; however, the amount and timing of any revenue reduction cannot be quantified with certainty. The Administration does not have sufficient data

¹ Page 18 in HC FY26 Approved Operating Budget

under the revised eligibility standards to project the number of future applicants or the assessed value of properties owned by newly eligible recipients. As a result, any budgetary revenue impact will vary based on individual eligibility, property values, and the duration of the credit.

Other Notes: None