

IMPORTANT NOTICE ABOUT A STATE OF MARYLAND HOMEOWNERS' PROPERTY TAX CREDIT PROGRAM

Under Maryland law, you may be eligible for a substantial credit on the property tax bill issued on your home, based upon your gross household income. This program is available to homeowners of all ages and the credit is calculated solely on the basis of gross income. The application form is not provided here in this income tax booklet because the credits are issued as a deduction from the homeowner's July property tax bill. The property tax credit application forms are processed separately by the State Department of Assessments and Taxation.

Use the chart printed below to see if it would be worthwhile for you to submit a Homeowners' Tax Credit application. If the actual property taxes on your home (based on no more than \$150,000 of full market value) exceed the "Tax Limit" amount shown on the table below for your household income level, you may be eligible for a credit and are urged to file an application. The table is printed for illustrative purposes, and therefore, the income amounts are listed in increments of \$1,000. For purposes of this program, the applicant must report total income, which means the combined gross household income before any deductions are taken. Nontaxable income, such as Social Security, Railroad Retirement or Veterans' benefits, also must be reported as income for the tax credit program.

2005 COMBINED GROSS HOUSEHOLD INCOME BEFORE DEDUCTIONS		TAX LIMIT	2005 COMBINED GROSS HOUSEHOLD INCOME BEFORE DEDUCTIONS		TAX LIMIT	2005 COMBINED GROSS HOUSEHOLD INCOME BEFORE DEDUCTIONS		TAX LIMIT
\$0-	4,000	\$ 0	13,000	285	22,000	1,020		
	5,000	10	14,000	350	23,000	1,110		
	6,000	20	15,000	415	24,000	1,200		
	7,000	30	16,000	480	25,000	1,290		
	8,000	40	17,000	570	26,000	1,380		
	9,000	85	18,000	660	27,000	1,470		
	10,000	130	19,000	750	28,000	1,560		
	11,000	175	20,000	840	29,000	1,650		
	12,000	220	21,000	930	30,000	1,740		
					and up	*		

*For each additional \$1,000 of income add \$90 to \$1,740 to find the amount that your tax must exceed.

If you think you might qualify on the basis of your household income, there are certain other legal requirements which must be met. Due to space restrictions, not all of the other special limitations can be listed here in this notice. The purpose of this notice is simply to advise you of the availability of the program and to suggest that you inquire further if you think you qualify on the basis of the income chart provided above.

To obtain a Homeowners' Tax Credit application form or to receive further information about your eligibility for the program, you should telephone 410-767-4433 in the Baltimore metropolitan area or 1-800-944-7403 (toll free) for those living elsewhere in Maryland. The application form explains the various program requirements in detail. The deadline for filing a Homeowners' Tax Credit application is generally September 1, 2006.

RENTERS' TAX CREDIT PROGRAM

The State of Maryland also makes available a Renters' Tax Credit of up to \$600 a year for renters age 60 and over or those 100% disabled if they qualify on the basis of income. Renters under age 60 who have a dependent child may be eligible for a credit if certain separate income requirements are met. To obtain a Renters' Tax Credit application form or to receive further information about the program, you may telephone 410-767-4433 in the Baltimore metropolitan area or 1-800-944-7403 (toll free) for those living elsewhere in Maryland. The filing deadline for the Renters' Program is September 1, 2006.

REAL PROPERTY TAX EXEMPTIONS FOR 100% DISABLED VETERANS AND BLIND PERSONS

There is a complete exemption from real property taxes on the dwelling house owned by disabled veterans with a 100% service connected permanent disability or by their surviving spouses. The State also allows an exemption on the first \$15,000 of valuation on the dwelling house owned by legally blind persons. For further information about either exemption, please telephone 410-767-4433 in the Baltimore area or 1-800-944-7403 (toll free) in other areas of Maryland.