

Office of the County Auditor
Auditor's Analysis

Council Bill No. 37-2023

Introduced: September 5, 2023

Auditor: Lori Buchman

Fiscal Impact:

The proposed legislation will not result in additional foregone revenue in Fiscal Year 2024 as the Chief Administrative Officer stated that the bill as written does not require the Department of Finance to accept applications retroactively.

Although there will be a fiscal impact in future years, it is indeterminable as it is dependent upon the unknown number of property owners in the County with multiple properties that will now become eligible for the Credit. For reference, the average Credit granted to 4,748 individuals during the application period for Fiscal Year 2024 was approximately \$925.

According to the Deputy Director of the Department of Finance (Finance), they have no method of determining the total number of homeowners that have been denied using the online application because of controls in place that prevent ineligible applicants from completing their form. However, Finance did confirm that 82 applicants that applied for the Credit using the paper application process were ineligible in FY 2024 due to the multiple home exclusion.

Purpose:

The proposed legislation seeks to remove the provision included in Council Bill 52-2022 that places a prohibition on owners of multiple residential properties from receiving the Aging-In-Place Property Tax Credit.

Other Comments:

As a result of Council Bill 52-2022, according to information provided by Finance, the expansion of the Aging-In-Place Tax Credit has resulted in an increase of approximately 2,250 eligible property owners in FY 2024. Thus far in Fiscal Year 2024, \$4.4 million of tax credits were granted, as compared to \$2.1 million in Fiscal Year 2023.