

HB 2716 -- COMMUNITY LAND TRUSTS TAX CREDIT

SPONSOR: Kendrick

Beginning January 1, 2021, this bill provides a tax credit for eligible taxpayers in an amount of the total amount of property taxes that would be levied on an eligible taxpayer's home, if the assessed valuation of the home were equal to the actual amount paid for a home, less any subsidies provided as credits at closing by a qualified community land trust, as defined in the bill, paid for the home by the eligible taxpayer, less the total amount of property taxes levied on an eligible taxpayer's home.

This bill defines an "eligible taxpayer" as an individual who has an income tax liability; owns a home that the individual purchased directly from a qualified community land trust, under a contract that requires that, if the individual sells his or her home, the sale price be less than the assessed valuation of the home; and has a total income for the tax year of no more than 80% of the Area Median Income, as such term is defined by the United States Department of Housing and Urban Development.

The amount of the tax credit claimed by an eligible taxpayer will not exceed \$750; the tax credit will not be refundable or carried forward to a subsequent tax year; and the tax credit will not be assigned, transferred, or sold.

The provisions of this bill will sunset six years after the effective date.