



House Bill 644

Property Tax - Exemption for Dwellings of Surviving Spouses of Disabled Veterans - Application

MACo Position:

To: Ways and Means Committee

LETTER OF INFORMATION

Date: February 17, 2026

From: Kevin Kinnally

The Maryland Association of Counties (MACo) takes no position on HB 644 but submits this letter of information to urge the Committee to consider critical policy concerns.

HB 644 expands Maryland's property tax exemption for the surviving spouses of deceased veterans. The bill links eligibility to the receipt of federal Dependency and Indemnity Compensation (DIC) benefits and broadens the group of surviving spouses who may qualify under current law.

Counties recognize the bill's purpose and respect the intent to support surviving spouses who have already endured significant loss. However, because property taxes are the primary funding source for county governments, any State-mandated expansion of exemptions has direct local fiscal consequences.

The bill could also create implementation and verification challenges. DIC eligibility can rest on several different federal criteria, and DIC documentation may not always provide the specific information SDAT needs to confirm that an applicant meets Maryland's exemption requirements. SDAT may need additional documentation standards or clearer guidance to ensure consistent determinations statewide and avoid disputes over eligibility.

HB 644 also raises questions about timing and duration. A surviving spouse may qualify for DIC benefits long after a veteran's death, and eligibility for this exemption could begin years later, including after the surviving spouse purchases a new home, of conceivably any value, anywhere in Maryland. The bill could therefore expand eligibility beyond what some local governments may anticipate when planning budgets.

For these reasons, MACo urges the Committee to consider the bill's fiscal effects on county governments and to ensure the exemption remains clearly defined, consistently administered, and aligned with SDAT's statewide eligibility verification process.