



State of Maryland

DEPARTMENT OF ASSESSMENTS AND TAXATION

Office of the Director

MARTIN O'MALLEY
Governor

ROBERT E. YOUNG
Director

Dear Maryland Property Owner:

The enclosed notice informs you of our estimate of the new market value of your property. Properties in your area were last valued on January 1, 2009. Many properties that have sold indicate that values have changed since the last review. While some values have risen, the majority have fallen or show no change. This value estimate was developed using recent market information from your area and has been applied uniformly to all comparable properties. The new market value estimate is located on page 3, box 7 of the notice.

Local governments will apply their tax rates to our assessments in computing your tax bill. Counties and municipal corporations will set their tax rates at public hearings in the spring. Property tax bills are issued in July/August. The property tax is primarily a local government revenue.

Property values may rise or fall in a changing real estate market. Therefore, property is revalued every three years to ensure that all property owners pay only their fair share of local taxes. Since no property tax revenues are used to fund our agency, we are able to provide an impartial, unbiased opinion of your property value.

If this property is your principal residence, "yes" should appear in the box in the upper right-hand corner of page 3 below the "Principal Residence" designation. Many owner occupied properties in Maryland receive the Homestead Tax Credit, which can result in significant tax dollar savings. It limits the assessment on which your real estate taxes are based. **When you received an Assessment Notice three years ago, you were sent a one-time application required to continue, or to begin receiving, the Homestead Tax Credit.** If you did not submit that application, another application has been included. You may complete and mail the application or apply electronically via our website at www.dat.state.md.us. **We strongly urge you to file electronically to ensure the immediate processing of your continued Homestead Tax Credit eligibility.** For homeowners whose properties are not already designated as their principal residence, please contact your local assessment office listed in the upper left of page 3. Not applying for this credit may result in an increase in your real estate tax bill.

I assure you that you will be provided courteous service, prompt attention to your requests for assistance, and access to information that formed the basis of your property valuation. Brochures and information are available upon request. You may obtain public data for any property in Maryland by visiting your local assessment office and using our public access data screens. Internet users may obtain these brochures as well as review sales and assessment data by accessing our website at www.dat.state.md.us.

Please feel free to contact your local assessment office for further information or assistance.

Sincerely,

Robert E. Young
Director

The Homestead Tax Credit

What is the Homestead Tax Credit?

To help homeowners deal with assessment increases, state law has established the Homestead Property Tax Credit. The Homestead Credit limits or caps the increase in taxable assessments each year to a fixed percentage. Every county and municipality in Maryland is required to set a Homestead cap that limits taxable assessment increases to 10% or less each year.

The Homestead Tax Credit applies only to the principal residence of the property owner and is based on the total market value for the dwelling and land associated with the dwelling.

The Homestead Tax Credit does not limit the market value of the property as determined by the Department of Assessments and Taxation. Instead, it is actually a credit calculated on any assessment increase exceeding 10% (or the lower local cap enacted by the local governments) from one year to the next. Your taxable assessments, after subtracting the Homestead Tax Credit, are shown in **boxes 1, 2 and 3** on page 3 of this notice.

Your annual real estate tax bill is a summation of your county, state, and municipal (if applicable) real estate taxes. Because each of these levels of government sets a specific cap, they each have a specific Homestead Credit. The State Homestead Credit is calculated based on a 10% cap. Your county or Baltimore City Homestead Credit is calculated based on the cap shown on page 3 of this notice just below the information box. Typically 80% to 90% of your total real estate tax bill is county or Baltimore City real estate taxes. Therefore your county or Baltimore City Homestead cap has the greatest impact on your total tax bill.

How much are your Homestead Credits?

Your actual amount of Homestead Credit is the difference between your taxable assessments and your 2012 Phased-In Market Value/Assessment. Specifically referring to page 3 of this notice, the amount of county Homestead Credit being applied to your July 2012 tax bill is the difference between **boxes 8 and 1**. The amount of State Homestead Credit is the difference between **boxes 8 and 2**, and the difference between **boxes 8 and 3** is the municipal Homestead Credit. If box 8 is the same as **boxes 1, 2, or 3** you are receiving no Homestead Credit for that level of government taxation.

Your local government will grant the credit when calculating your July property tax bill. The net amount, with the credit deducted, will be shown as the tax due.

Example of Homestead Credit calculation

Assume that your old assessment was \$100,000 (box 4) and that your new phased-in market value/assessment for the July 2011 tax billing is \$120,000 (box 8). An increase of 10% will result in a county taxable assessment of \$110,000 (box 1). The difference between \$120,000 and \$110,000 is \$10,000 (amount of the county Homestead assessment credit). This county assessment tax credit will apply to the taxes due on the July 2012 tax bill. The actual tax dollars saved will be calculated as follows: \$10,000 county Homestead Credit multiplied by an assumed county tax rate of \$1.04 per \$100 of assessment equals \$10,000 x \$1.04 divided by 100 = \$104.00. This credit will automatically be applied to your July 2012 tax bill.

Conditions

The tax credit will be granted if the following conditions are met during the previous tax year:

- A. The property was not transferred to new ownership;
- B. There was no change in the zoning classification requested by the homeowner resulting in an increased value of the property;
- C. A substantial change did not occur in the use of the property.

Further conditions are that the dwelling must be the owner's principal residence, and the owner must have lived in it for at least six months of the year, including July 1 of the year for which the credit is applicable, unless the owner was temporarily unable to do so by reason of illness or need of special care. An owner can receive a credit on only one property – the principal residence.

The impact of the Homestead Credit on assessment appeals

If an appeal is filed on a property receiving a Homestead Tax Credit, it should be noted that a reduction in the New Market Value will not result in any tax savings unless the new 2012 Phased-In Market Value/Assessment (box 8) resulting from this decrease is less than the taxable assessments shown in boxes 1, 2, and 3.

BALTIMORE CO ASSESSMENT OFC
HAMPTON PLAZA
300 E. JOPPA RD, SUITE 602
TOWSON MD 21286-3020

(410)512-4900
blco@dat.state.md.us

0403 115255



ACCT#12 34 5678901234
83
JOHN & JANE DOE
123 ANYWHERE ROAD
CHASE MD 21027-0145

086459 R



NOTICE #	NOTICE DATE	TAX YEAR BEGINNING
086459	12/27/2011	07/01/2012
DIST MAP	PARCEL SEC BLOCK	LOT USE SUBD
15 83 225		R
PROPERTY LOCATION	PRINCIPAL RESIDENCE	
123 ANYWHERE ROAD NES REED RD	YES	
CONTROL #:	5950	

BOX 1 REFLECTS THE 4% ASSESSMENT CAP ESTABLISHED BY BALTIMORE CO.

It is on the following three assessments that your County (box 1), State (box 2), and Municipal (box 3) tax rates will be applied to produce your actual July 1, 2012 tax bill. Tax rates are set in the spring by your local government.

Taxable Assessments for July 1, 2012

1. \$	80,520
	County or Balt. City Taxable Assessment

2. \$	105,300
	State Taxable Assessment

3. \$	NOT APPLICABLE
	Municipal Taxable Assessment

State law requires that all real property be revalued at least every three years. The property described above has been reviewed to determine the new market value effective January 1, 2012. The new market value is based upon market data available prior to this date. The old total market value of your property was:

4. \$	112,000
-------	----------------

This property has been reappraised as of Jan. 1, 2012. This is the current value of your property, it is not a projection of future value.

New Market Value As of Jan. 1, 2012

5. \$	72,200
	Land

6. \$	33,100
	Buildings

7. \$	105,300
	TOTAL

State law provides that any increase in the new market value be phased in over the next three tax years in equal amounts. If the value decreased, this reduced assessment will be in effect for the next three years as shown in the boxes below (before applicable credits and exemptions).

Phased-In Market Values/ Assessments

8. \$	105,300
	2012

9. \$	105,300
	2013

10. \$	105,300
	2014

Your Appeal Rights

If you feel that your property's Total New Market Value of **\$105,300** is incorrect, you may file an appeal. An explanation of the appeal process and instructions on how to file your appeal are located on page 4.

An appeal must be filed or postmarked by **02/10/2012**

ATTENTION: If the mailing address at right is incorrect, please print the correct address below and return to the Assessment Office.

ACCT#12 34 5678901234
83
JOHN & JANE DOE
123 ANYWHERE ROAD
CHASE MD 21027-0145

086459 R

Principal Residence Verification (Homestead Tax Credit)

Is this your principal residence? Look at the information in the box at the top of this page. You should verify whether or not this property is designated as your principal residence with a "yes" indication. This information affects eligibility for the Homestead Tax Credit. If this notice contains an application, you need to submit it electronically or by mail. Property owners with an incorrect "NO" indication under Principal Residence should contact their local assessment office listed in the upper left of this page. You will be asked to verify your residency by providing a copy of your Maryland driver's license or other identification. A Homestead Tax Credit Eligibility Application will then be sent to you.

APPEAL PROCEDURE

You have the right to appeal this notice of assessment. A three step appeal process is available to protect the property owner from an incorrect assessment. The first level appeal is with the local assessment office. The second and third level appeals are with the Property Tax Assessment Appeal Boards and the Maryland Tax Court. These are independent agencies that are completely separate from the Department of Assessments and Taxation. At each level in the appeal process you have the opportunity to present evidence showing why the Total New Market Value (page 3, box 7) is incorrect.

To appeal your notice of assessment, you can visit our website at www.dat.state.md.us or complete and sign this appeal form and return it to the local assessment office at the address shown on page 3 of this notice. An appeal must be filed within 45 days from the date of this notice. When filing an appeal you have three options: (1) to submit an appeal in writing; (2) to meet personally with an assessor; or (3) to have a telephone hearing. Please indicate with a check mark the one option you have selected. Expedited service will be given to written appeals (Option #1).

Signature	Date
Print Name	Daytime Telephone #

Option #1 Written Appeal Instead of a Personal Hearing: If additional space is needed, attach paperwork to this appeal form. I am appealing the TOTAL NEW MARKET VALUE because: _____

NOTE: When you file a written appeal, your account is reviewed based on all available information and a final notice is sent.

Option #2 Personal Hearing with an Assessor: Please select the preferred time under column A or B (only one box should be selected). The assessment office will honor requests for hearings during non-business hours and/or alternate locations if possible. Alternate locations are public facilities, such as libraries, which are reserved by the Department to allow property owners an alternative to a personal hearing at the assessment office. You will be notified of the date and time for your hearing. You have the right to postpone this hearing one time.

A. ASSESSMENT OFFICE	OR	B. ALTERNATE LOCATION
<input type="checkbox"/> Business Hours		<input type="checkbox"/> Business Hours
<input type="checkbox"/> Evening Hours		<input type="checkbox"/> Evening Hours
<input type="checkbox"/> Saturday Hours		<input type="checkbox"/> Saturday Hours

Option #3 Telephone Hearing: You will be notified of a date and time to call the assessment office. Collect calls will NOT be accepted.

If you are filing an appeal, or requesting a copy of your property worksheet or a sales analysis/listing, please make a copy of the front and back of this page for your records.

If you file an appeal, you may also obtain copies of the worksheets for other comparable properties. A fee of \$1.00 for each comparable worksheet must be included with your request, with the check made payable to the State Department of Assessments and Taxation. Please use the space provided below to identify the comparable properties. Attach an additional sheet of paper if more space is needed. Reminder: There is no charge for a copy of the worksheet of your own property.

Street Address of Comparable Property Or Lot, Block and Parcel Number	Owner of Comparable (If Known)

PROPERTY INFORMATION AND BROCHURES

Please check the appropriate box and return this form to your local assessment office at the address shown on page 3 if you want either the Property Worksheet or the Sales Analysis/Listing. Brochures and other information about your assessments can also be found on our website at www.dat.state.md.us.

- Sales Analysis/Listing
 Property Worksheet

State of Maryland
DEPARTMENT OF
ASSESSMENTS AND TAXATION
301 W. Preston Street, 8th Floor
Baltimore, Maryland 21201

Real Property Account #	12 34 5678901234
Owner (s) Name	JOHN & JANE DOE
Property Location	123 ANYWHERE ROAD NES REED RD
Notice Date	12/27/2011
Access Number	L0007551



APPLICATION FOR HOMESTEAD TAX CREDIT ELIGIBILITY FOR HOMEOWNERS WHO HAVE NOT PREVIOUSLY APPLIED USING THIS FORM

The owner (s) of the residential property identified in this assessment notice who uses it as his or her principal residence must complete and submit this **one-time** application in order to receive continued eligibility for the Homestead Tax Credit. **You do not need to submit this form if you previously applied in 2009, 2010 or 2011 for this property.** The Homestead Tax Credit law limits the amount of assessment increase on which an eligible resident homeowner actually pays county, municipal, and State property taxes each year.

If you have been living in your property for several years, it is likely that you are already receiving a Homestead Tax Credit. Even if you are not receiving a Homestead Tax Credit, you should complete this application in the event you become eligible in the future. **For this property, we estimate that for the upcoming July 1, 2012 tax bill you will be receiving a Homestead Tax Credit and not paying county property taxes on \$ 24,780 of assessment.** This assessment amount multiplied by the local county or Baltimore City tax rate, divided by 100 equals the amount of your tax savings.

A married couple may have only one principal residence under the provisions of the law. A homeowner who submits an application that is inconsistent with income tax and motor vehicle records of the State shall be required to later submit additional verification in order to be considered for the credit.

There are two methods for filing this application. First, we strongly encourage you to file your application electronically by going to the Department's website at www.dat.state.md.us and clicking on the "Homestead Eligibility Application" link. **Completing your application via the website provides confirmation of submission and will greatly speed up the processing of your application and ensure your continued eligibility.** The second method is to complete the paper form and return it in the enclosed postage-paid envelope. Confirmation of receipt for mailed applications is not available.

You are urged to submit the application within sixty (60) days of the date of this notice in order to ensure the timely processing of your application. If you have a specific question concerning the application, you may telephone 410-767-2165 in the Baltimore metropolitan area or 1-866-650-8783 toll free elsewhere in Maryland.

SEE APPLICATION ON REVERSE SIDE

