



## BALTIMORE HOUSING

SHEILA DIXON  
Mayor

PAUL T. GRAZIANO  
Executive Director, HABC  
Commissioner, HCD

# MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council  
c/o Karen Randle, Executive Secretary

From: Paul T. Graziano, Commissioner

Date: March 3, 2008

Re: City Council Bill 08-0012R Investigative Hearing – Newly Constructed Dwelling Property Tax Credit – Application Period

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The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 08-0012R, which was introduced for the purpose of requesting the Director of Finance to review the practicality of the current time requirement for eligible homeowners to file an application for the Newly Constructed Dwelling Property Tax Credit and to report the findings of the review to the City Council within 60 days of the date this resolution is adopted.

This tax credit was designed to encourage the construction and purchase of new homes in the city. The program provides a five-year City real property tax credit (50% in the first taxable year and declining by 10 percentage points thereafter) on newly constructed or substantially rehabbed dwellings if the property has not been previously occupied since its construction or rehabilitation. Owners of newly constructed dwellings may qualify for this tax by occupying the home as their principal residence for the duration of the credit period and by filing an application for the tax credit within 90 days of settling on the purchase of the dwelling.

The Department of Housing and Community Development has no objection to the adoption of City Council Bill 08-0012R. Since the tax credit program is administered by the Department of Finance, DHCD defers to that department as to any potential adjustment of the filing deadline.

PTG:pmd

cc: Ms. Angela Gibson  
Mr. Demaune Millard

