

**CITY OF BALTIMORE
COUNCIL BILL 20-0485
(First Reader)**

Introduced by: Councilmembers Costello, Schleifer, Clarke, Bullock, Cohen, Sneed, Middleton,
Stokes, Burnett, Reisinger, Pinkett, Henry, President Scott

Introduced and read first time: January 27, 2020

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Planning, Department of
Housing and Community Development, Department of Real Estate, Department of Finance,
Board of Estimates

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Property Tax Credit – Veterans**

3 FOR the purpose of establishing a tax credit against the property tax imposed on the principal
4 residences of certain veterans or their surviving spouses; imposing certain limitations,
5 conditions, and qualifications for credit eligibility; providing for the amount, duration, and
6 administration of the credit; defining certain terms; providing for a special effective date; and
7 generally relating to a property tax credit for qualified veterans or their surviving spouses.

8 BY authority of

9 Tax-Property Article
10 Section 9-258
11 Maryland Code

12 BY adding

13 Article 28 - Taxes
14 Section 10-23
15 Baltimore City Code
16 (Edition 2000)

17 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
18 Laws of Baltimore City read as follows:

19 **Baltimore City Code**

20 **Article 28. Taxes**

21 **Subtitle 10. Credits**

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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1 **§ 10-23. VETERANS.**

2 (A) *DEFINITIONS.*

3 (1) *IN GENERAL.*

4 IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

5 (2) *DWELLING.*

6 “DWELLING” HAS THE MEANING STATED IN STATE TAX-PROPERTY ARTICLE § 9-105
7 {“HOMESTEAD TAX CREDIT”}.

8 (3) *ELIGIBLE INDIVIDUAL.*

9 “ELIGIBLE INDIVIDUAL” MEANS:

10 (I) AN INDIVIDUAL WHO IS AT LEAST 65 YEARS OLD AND IS A RETIRED MEMBER OF
11 THE UNIFORMED SERVICES OF THE UNITED STATES AS DEFINED IN 10 U.S.C.
12 § 101, THE MILITARY RESERVES, OR THE NATIONAL GUARD; OR

13 (II) A SURVIVING SPOUSE, WHO HAS NOT REMARRIED, OF AN INDIVIDUAL
14 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.

15 (4) *FINANCE DIRECTOR.*

16 “FINANCE DIRECTOR” MEANS THE DIRECTOR OF THE CITY DEPARTMENT OF FINANCE
17 OR THAT DIRECTOR’S DESIGNEE.

18 (5) *HOMEOWNER.*

19 “HOMEOWNER” HAS THE MEANING STATED IN STATE TAX-PROPERTY ARTICLE § 9-105
20 {“HOMESTEAD TAX CREDIT”}.

21 (6) *HOMESTEAD DWELLING.*

22 “HOMESTEAD DWELLING” MEANS A DWELLING THAT IS :

23 (I) LOCATED IN BALTIMORE CITY;

24 (II) OWNED BY AND USED AS THE PRINCIPAL RESIDENCE OF AN ELIGIBLE
25 INDIVIDUAL; AND

26 (III) OTHERWISE ELIGIBLE FOR THE TAX CREDIT AUTHORIZED BY STATE TAX-
27 PROPERTY ARTICLE § 9-105 {“HOMESTEAD TAX CREDIT”}.

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1 (B) *CREDIT GRANTED.*

2 IN ACCORDANCE WITH STATE TAX-PROPERTY ARTICLE § 9-258, A REAL PROPERTY TAX
3 CREDIT IS GRANTED AGAINST THE CITY PROPERTY TAX IMPOSED ON THE HOMESTEAD
4 DWELLING OF AN ELIGIBLE INDIVIDUAL.

5 (C) *AMOUNT OF CREDIT.*

6 THE AMOUNT OF THE CREDIT GRANTED UNDER THIS SECTION IS 20% OF THE CITY
7 PROPERTY TAX IMPOSED ON THE DWELLING.

8 (D) *LIMITATION ON OTHER CREDITS.*

9 IN ANY TAXABLE YEAR FOR WHICH A PROPERTY RECEIVES A CREDIT GRANTED UNDER THIS
10 SECTION, THE PROPERTY MAY NOT RECEIVE ANY OTHER PROPERTY TAX CREDIT PROVIDED
11 BY BALTIMORE CITY EXCEPT:

12 (1) THE LOCAL PORTION OF THE CREDIT AUTHORIZED BY STATE TAX-PROPERTY
13 ARTICLE § 9-105 {"HOMESTEAD TAX CREDIT"}; AND

14 (2) THE CREDIT AUTHORIZED BY § 9-221 {"OFFSETTING INCOME TAX RATES"}.

15 (E) *APPLICATION AND ANNUAL VERIFICATION.*

16 (1) AN ELIGIBLE INDIVIDUAL SEEKING TO OBTAIN AND ANNUALLY MAINTAIN A CREDIT
17 UNDER THIS SECTION MUST:

18 (I) AT LEAST 90 DAYS BEFORE THE 1ST TAX YEAR FOR WHICH THE CREDIT IS
19 SOUGHT, FILE WITH THE FINANCE DIRECTOR AN APPLICATION FOR THE CREDIT;
20 AND

21 (II) AT LEAST 90 DAYS BEFORE EACH SUBSEQUENT TAX YEAR, FILE WITH THE
22 FINANCE DIRECTOR A VERIFICATION THAT THE PROPERTY CONTINUES TO BE:

23 (A) USED AS THE ELIGIBLE INDIVIDUAL'S PRINCIPAL RESIDENCE; AND

24 (B) OTHERWISE ELIGIBLE FOR THE TAX CREDIT AUTHORIZED BY THIS
25 SECTION.

26 (2) THE APPLICATION AND ANNUAL VERIFICATION MUST BE IN THE FORM AND CONTAIN
27 THE INFORMATION THAT THE FINANCE DIRECTOR REQUIRES.

28 (F) *TERM OF CREDIT.*

29 THE CREDIT GRANTED UNDER THIS SECTION SHALL BE FOR A PERIOD OF 5 YEARS, SUBJECT
30 TO COMPLIANCE WITH THE ANNUAL VERIFICATION REQUIREMENTS OF SUBSECTION (E) OF
31 THIS SECTION.

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1 (G) *ADMINISTRATION.*

2 THE FINANCE DIRECTOR:

- 3 (1) SHALL ADOPT RULES AND REGULATIONS TO CARRY OUT THIS SECTION, INCLUDING
4 PROCEDURES, FORMS, AND DOCUMENTATION REQUIRED TO APPLY FOR THE CREDIT
5 AUTHORIZED BY THIS SECTION AND TO PERIODICALLY VERIFY CONTINUING
6 ELIGIBILITY FOR THE CREDIT;
- 7 (2) IN THOSE RULES AND REGULATIONS, MAY DEFINE OR FURTHER DEFINE ANY TERMS
8 USED IN CONNECTION WITH THE QUALIFICATIONS FOR OR COMPUTATION OF THE
9 CREDIT AUTHORIZED BY THIS SECTION;
- 10 (3) MAY SETTLE DISPUTED CLAIMS ARISING IN CONNECTION WITH THE CREDIT
11 AUTHORIZED BY THIS SECTION;
- 12 (4) MUST PREPARE AN ANNUAL WRITTEN REPORT TO THE MAYOR AND CITY COUNCIL
13 DETAILING THE NUMBER OF ELIGIBLE INDIVIDUALS WHO HAVE UTILIZED THE TAX
14 CREDIT IN THE PRECEDING YEAR; AND
- 15 (5) MAY DELEGATE TO ANY OTHER CITY AGENCY OR EMPLOYEE THE DIRECTOR'S
16 POWERS, DUTIES, OR FUNCTIONS IN CONNECTION WITH THE ADMINISTRATION OF
17 THE CREDIT AUTHORIZED BY THIS SECTION.

18 (H) *CRIMINAL PENALTIES.*

19 ANY PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT ON OR IN CONNECTION WITH
20 AN APPLICATION FOR A TAX CREDIT UNDER THIS SECTION OR IN CONNECTION WITH ANY
21 REPORT OR STATEMENT SUPPORTING A PROPERTY'S CONTINUED ELIGIBILITY FOR A TAX
22 CREDIT GRANTED UNDER THIS SECTION IS GUILTY OF A MISDEMEANOR AND, ON
23 CONVICTION, IS SUBJECT TO A FINE OF NOT MORE THAN \$1,000 OR TO IMPRISONMENT FOR
24 NOT MORE THAN 12 MONTHS OR TO BOTH FINE AND IMPRISONMENT FOR EACH OFFENSE.

25 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
26 are not law and may not be considered to have been enacted as a part of this or any prior
27 Ordinance.

28 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect when it is
29 enacted, applicable for all taxable years beginning on or after July 1, 2020.