

**CITY OF BALTIMORE  
COUNCIL BILL 22-0212  
(First Reader)**

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Introduced by: President Mosby and Councilmember Costello

Introduced and read first time: March 21, 2022

Assigned to: Ways and Means Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and Community Development, Baltimore Development Corporation, Department of Finance

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Residential Retention Tax Credit – Amendment**

3 FOR the purpose of amending application requirements for the portable homestead tax credit;  
4 terminating the sunset of the credit; and generally relating to the portable homestead property  
5 tax credit.

6 BY repealing and re-ordaining, with amendments

7 Article 28 - Taxes  
8 Sections 10-1.1(c), 10-1.1(k)  
9 Baltimore City Code  
10 (Edition 2000)

11 BY repealing

12 Article 28 - Taxes  
13 Section 10-1.1(l)  
14 Baltimore City Code  
15 (Edition 2000)

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

18 **Baltimore City Code**

19 **Article 28. Taxes**

20 **Subtitle 10. Credits**

21 **§ 10-1.1 Portable homestead.**

22 (c) *Qualifications.*

23 To qualify for the credit authorized by this section, the homeowner must:

24 (1) for the 5 tax years preceding the purchase of the new dwelling in Baltimore City:

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

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- 1 (i) have owned and occupied, as his or her principal residence, a dwelling in  
2 the City; and
- 3 (ii) received a credit under State Tax-Property Article, § 9–105 {“Homestead  
4 tax credit”} for that dwelling;
- 5 (2) occupy the newly purchased dwelling as his or her principal residence;
- 6 (3) submit an application to the Finance Director in the form and containing the  
7 information that the Director requires[, for a credit under this section] EITHER:
  - 8 (I) WITHIN 90 DAYS OF SETTLEMENT ON THE NEWLY PURCHASED DWELLING  
9 OR;
  - 10 (II) BY SEPTEMBER 30, 2022, IF SETTLEMENT ON THE NEWLY PURCHASED  
11 DWELLING OCCURRED BETWEEN JULY 1, 2020 AND JUNE 30, 2022;
- 12 (4) for each tax year for which the credit is sought:
  - 13 (i) file a State income tax return as a resident of Baltimore City; and
  - 14 (ii) submit a copy of that return to the Director, in the manner and within the  
15 time period required by the rules and regulations adopted under this  
16 section; and
- 17 (5) comply with all other procedures and conditions required by the rules and  
18 regulations adopted under this section.

19 . . .

20 (k) *Reporting.*

21 The Department of Finance shall evaluate the efficacy of the credit established by this  
22 section and submit a report of its findings and recommendations on or before December  
23 31, [2018] 2024, and [December 31, 2020] EVERY 2 YEARS THEREAFTER, TO:

- 24 (1) the Mayor and the City Council; and
- 25 (2) in accordance with State Government Article, § 2–1246:
  - 26 (i) the Baltimore City House Delegation;
  - 27 (ii) the Baltimore City [Senators] SENATE DELEGATION;
  - 28 (iii) the Senate Budget and Taxation Committee; and
  - 29 (iv) the House Committee on Ways and Means.

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1        *[(1) Termination of program.]*

2            [(1) New credits may not be granted under this section for any tax year beginning on or  
3            after July 1, 2020.]

4            [(2) This subsection does not apply to an owner's continued receipt of an annual credit,  
5            as provided in subsection (d) of this section, with respect to a property for which  
6            the tax credit was initially granted and received for a tax year ending on or before  
7            June 30, 2020.]

8            **SECTION 2. AND BE IT FURTHER ORDAINED,** That, except as provided in Section 3 of this  
9            Ordinance, a homeowner eligible for the credit authorized by Article 28, § 10-1.1 of the City  
10           Code, as provided for under § 10-1.1(c)(3)(ii) of the same Article, may receive this credit  
11           effective as of the date of settlement on their newly purchased dwelling, and depending on the  
12           original date of the settlement, up to 2 years of credit value in an amount up to \$1,900,  
13           representing (i) \$1,000 for the 1st tax year of this credit; and (ii) \$900 for the 2nd tax year of this  
14           credit, as determined by the Director of Finance.

15           **SECTION 3. AND BE IT FURTHER ORDAINED,** That a homeowner eligible for the credit  
16           authorized by Article 28, § 10-1.1 of the City Code, as provided for under § 10-1.1(c)(3)(ii) of  
17           the same Article, and who newly purchased a dwelling in Baltimore City within a low or  
18           moderate income census tract, as further described by § 10-1.1(d)(2), may receive this credit  
19           effective as of the date of settlement on their newly purchased dwelling, and depending on the  
20           original date of the settlement, up to 2 years of credit value in an amount up to \$2,300,  
21           representing (i) \$1,200 for the 1st tax year of this credit; and (ii) \$1,100 for the 2nd tax year of  
22           this credit, as determined by the Director of Finance.

23           **SECTION 4. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup> day  
24           after the date it is enacted.