
CITY OF BALTIMORE

BERNARD C. "JACK" YOUNG
Mayor



DEPARTMENT OF LAW
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January 22, 2020

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 19-0479 – Property Tax Credit – Low Income Employees
of the City of Baltimore

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 19-0470 for form and legal sufficiency. The bill would add Section 10-23 to Article 28 (Taxes) to the Baltimore City Code, in order to permit a real property tax credit for certain low income employees of the City of Baltimore.

The General Assembly permits this real property tax credit under Section 9-304(k) of the Tax-Property Article of the Maryland Code. It allows the Mayor and City Council to provide, by ordinance, for a maximum credit of \$2,500 against the City real property tax for a low income employee that is eligible for the state's homestead credit. Md. Code, Tax-Prop., § 9-304(k)(1), (2). State law defines "low-income employee" to mean someone that is 1) employed full-time by Baltimore City; 2) is among the 25% lowest-paid, full-time employees; and 3) owns a dwelling located in Baltimore City. Md. Code, Tax-Prop., § 9-304(k)(1)(ii). The dwelling must be used as the employee's principal residence and "actually occupied or expected to be actually occupied by the homeowner for more than 6 months of a 12-month period beginning with the date of finality for the taxable year for which the property tax credit" is sought. Md. Code, Tax-Prop., § 9-304(k)(1)(i); Md. Code, Tax-Prop., § 9-105(i). Sections (a)(1) through (a)(6) of this bill implement these state law requirements.

In addition to these state law requirements, the Mayor and City Council may enact as part of this bill, the amount and duration of the credit, additional employee eligibility requirements, the application procedure (including regulatory procedures for the application and its uniform implementation) and any other provisions necessary. Sections (b) through (k) of the bill define the amount and duration of the credit and provide the additional eligibility guidelines and application procedures. The Law Department defers to the Finance Department on its ability to administer the program under the application and determination deadlines set-forth in bill. However, all of Sections (b) through (k) are within the City's power to enact under the state law.

Since the bill is within the authority given to the City by Section 9-304 of the Tax Property Article of the Maryland Code. The Law Department approves the bill for form and legal sufficiency.

Very truly yours,



Hilary Ruley
Chief Solicitor

cc: Andre M. Davis, City Solicitor
Dana P. Moore, Deputy City Solicitor
Matthew Stegman, Mayor's Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Victor Tervalá, Chief Solicitor
Ashlea Brown, Assistant Solicitor