



MEMORANDUM

TO: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, *Executive Secretary*

FROM: Paul T. Graziano, *Commissioner*

DATE: August 13, 2014

RE: **City Council Bill 14-0407 – Tax Credits – Portable Homestead**

The Department of Housing and Community Development has reviewed City Council Bill 14-0407, for the purpose of establishing a property tax credit for a dwelling newly purchased by a homeowner who has previously received, for a certain period, the homestead property tax credit; providing for the amount, duration, and termination of the credit; imposing certain qualifications for and limitations and conditions on the credit; providing for the calculation of the local homestead tax credit on termination of the credit; defining certain terms; and generally relating to the implementation of a portable homestead tax credit.

If this bill is enacted, it will provide a “residential retention” tax credit program for a newly purchased dwelling by a homeowner who has, for the preceding years, received the homestead property tax credit on a dwelling in Baltimore City. The credit is a fixed credit of \$4,000 that declines over 5 years. The credit will be available for applications beginning October 1, 2014.

The Department of Housing and Community Development has no objection to the passage of City Council Bill 14-0407.

PTG:sd

cc: Ms. Angela Gibson, *Mayor’s Office of Government Relations*
Mr. Colin Tarbert, *Deputy Mayor*

NO
obj

