


F R O M	Name & Title	Walter J. Horton Real Estate Officer	CITY OF BALTIMORE MEMO	
	Agency Name & Address	Department of Real Estate Room 304 – City Hall 100 N. Holliday Street		
	Subject	City Council Bill 14-0420 Property Tax Credits – Urban Agriculture		

To: Honorable President and Members
of the City Council
Attn: Ms. Natawana Austin
City Hall, Room 409

Date: September 30, 2014

As requested, we have reviewed City Council Bill #14-0420 which would establish a property tax agreement for urban agricultural property. In order to qualify for the tax credit a parcel of land must be an "urban agricultural property" being used for "urban agricultural purposes as defined in the State Tax-Property Article Section 9-253. In addition, the property may not be used for any other purpose that would subject the parcel to property tax liability and unless a waiver is granted, must produce agricultural products valued at \$5,000 or more per tax year. Under certain conditions outlined in Section 3 of the bill, the Baltimore City Office of Sustainability may grant waivers of the value requirement.

The amount of the tax credit shall be equal to the amount of the property tax that would otherwise be imposed on the property minus the amount of any other credit applicable to the property in that tax year multiplied by 90%.

The property owner must apply at least 90 days before the first tax year for which the credit is sought to the Baltimore City Office of Sustainability. At least 90 days before each subsequent tax year during the term of the credit, the property owner must file with the Baltimore City Office of Sustainability certification that the property continues to be used for urban agricultural purposes and meets all other qualifications for the credit. The term of the credit is for five tax years, unless renewed. Continuous agricultural use is required during the entire term or the credit is terminated and the property owner is liable for all property taxes that would have been imposed during the 5-year term had the credit not been granted.

The Baltimore City Office of Sustainability in consultation with the Director of Finance shall adopt rules and regulations, settle disputed claims and generally administer the urban agriculture tax credit program.

After the third tax year, the Mayor and City Council must evaluate the effectiveness of the tax credit program in promoting the use of property for urban agricultural purposes.

The Department of Real Estate has no objections to the passage of City Council Bill 14-0420.

Cc: Angela Gibson

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