

## MEMORANDUM

DATE: February 8, 2019  
TO: Taxation, Finance and Economic Development Committee  
FROM: William H. Cole, President and CEO  
POSITION: Support  
SUBJECT: City Council Bill No. 19-0330 - Yield Excise Tax – Tax Rates

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### INTRODUCTION

The Baltimore Development Corporation (BDC) is reporting on City Council Bill Yield Excise Tax – Tax Rates (19-0330), introduced by the Council President.

### PURPOSE

This change in ordinance will amend the tax rates used to calculate the Yield Excise Tax imposed on the tax yield from the transactions for which recordation and transfer taxes are due under City Code Article 28, Subtitle 16 and Subtitle 17, respectively; and providing for a special effective date.

### BRIEF HISTORY

This bill is to correct the tax rates associated with the funding of the City's Affordable Housing Trust Fund.

### FISCAL IMPACT

As a result of this corrective bill, the City will utilize a portion of the tax revenues collected from the recordation and the transfer tax on properties with a sale value exceeding \$1 million used to fund the City's Affordable Housing Trust Fund. These changes would take effect on the date this bill is enacted.

### AGENCY POSITION

The Baltimore Development Corporation supports City Council Bill Yield Excise Tax – Tax Rates (19-0330).

If you have any questions, please do not hesitate to contact Kim Clark at 410-837-9305 or at [kclark@baltimoredevelopment.com](mailto:kclark@baltimoredevelopment.com).

cc: Jeffrey Amoros

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