
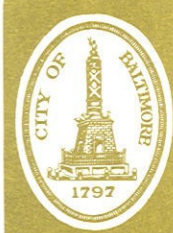


FROM	NAME & TITLE	Thomas Driscoll, Deputy Chief	 CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 436, City Hall (410 396-4948)		
	SUBJECT	City Council Bill #08-0048 Charles Village Community Benefits District — Supplemental Tax		

TO

DATE:

April 28, 2008

The Honorable President and
Members of the City Council
Room 400, City Hall

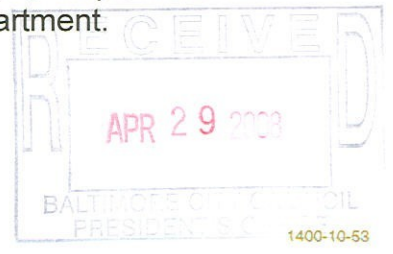
Attention: Ms. Karen Randle

City Council Bill #08-0048 has been introduced for the purpose of expressly stating the applicability of the Homestead Property Credit to the Supplemental Tax imposed on properties in the Charles Village Community Benefits District; clarifying, conforming, and correcting certain language; and generally relating to operations of the Charles Village Community Benefits District (CVCBD).

The primary issue in this provision is whether the term “credits” includes the Homestead Tax Credit. The Law Department has reviewed the legislative history pertaining to this and has noted Council Bill 891 Charles Village Community Benefits District, June 15, 1994, and memorandum from the Bureau of the Budget and Management Research (BBMR) also in 1994 to the City Council. The BBMR memorandum recommends adding the “credit” language to the law that established the CVCBD. According to the Law Department, the legislative history shows that the intent of the City in 1994 was that the Homestead Tax Credit would apply to the CVCBD Supplemental Tax.

This bill, if passed, would clarify that the term “credit” includes the Homestead Property Tax Credit. The same provisions of the Homestead Property Tax Credit as it relates to the regular property tax would apply to the supplemental tax in the Charles Village Community Benefits District.

Supplemental tax revenues go directly to the benefits district to support activities above and beyond services already provided by the City. Consequently, there would be no direct fiscal impact to the City should this legislation be passed. However, application of the Homestead Property Tax Credit would result in decreased surtax revenue to CVCBD which potentially could cause an impact to the City if CVCBD looked to the City for the shortfall difference. The regulations governing the authority to implement this action would have to be reviewed and commented on by the Law Department.



The Honorable President and Members
Of the Baltimore City Council
April 28, 2008
Page 2 of 2

Subject to the findings of the Law Department, the Department of Finance supports approval of Council Bill #08-0048.

cc: Edward J. Gallagher
Angela Gibson