

**CITY OF BALTIMORE**  
**ORDINANCE \_\_\_\_\_**  
**Council Bill 16-0736**

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Introduced by: The Council President  
At the request of: The Administration (Baltimore Development Corporation)  
Introduced and read first time: September 12, 2016  
Assigned to: Judiciary and Legislative Investigations Committee  
Committee Report: Favorable with amendments  
Council action: Adopted  
Read second time: October 20, 2016

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**AN ORDINANCE CONCERNING**

**Tax Credits – High-Performance Market-Rate Rental Housing**

FOR the purpose of modifying certain provisions concerning the determination of the amount of credit to be granted for the High-Performance Market-Rate Rental Housing Tax Credit for Targeted Areas and for Citywide Areas; and providing that the Director of Finance may adopt rules and regulations for granting partial credits for eligibility for less than a full taxable year.

BY authority of

Article - Tax-Property  
Section(s) 9-242  
Baltimore City Code  
(Edition 2000)

BY repealing and reordaining, with amendments

Article 28 - Taxes  
Section(s) 10-17(d)(1) and (j)(1) and 10-18(d)(1) and (k)(1)  
Baltimore City Code  
(Edition 2000)

**SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the Laws of Baltimore City read as follows:

**Baltimore City Code**

**Article 28. Taxes**

**Subtitle 10. Credits**

**EXPLANATION:** CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.  
Underlining indicates matter added to the bill by amendment.  
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from existing law by amendment.

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**§ 10-17. High-performance market-rate rental housing – Targeted areas.**

(d) *Amount of credit.*

(1) The amount of the credit shall equal a percentage, as specified in paragraph (2) of this subsection, of [the difference between]:

(i) IF THE PROPERTY IS STILL IN THE ASSESSMENT CYCLE OF THE FIRST ASSESSMENT OF THE COMPLETED PROJECT FOLLOWING THE ISSUANCE OF AN OCCUPANCY PERMIT, THE DIFFERENCE BETWEEN the property tax liability that, but for the tax credit, [would be owed for the first full tax year on the first assessment after issuance of an occupancy permit for the completed project; and] IS OWED IN THE CURRENT YEAR OF THE ASSESSMENT CYCLE, AND THE TOTAL PROPERTY TAX LIABILITY ON THE ASSESSED VALUE OF THE PROPERTY PRIOR TO THE COMMENCEMENT OF THE PROJECT; OR

(ii) [the property tax liability that would have been owed if the project had not been made.] IF THE PROPERTY IS NO LONGER IN THE ASSESSMENT CYCLE OF THE FIRST ASSESSMENT OF THE COMPLETED PROJECT FOLLOWING THE ISSUANCE OF AN OCCUPANCY PERMIT, THE DIFFERENCE BETWEEN THE PROPERTY TAX LIABILITY THAT, BUT FOR THE TAX CREDIT, WAS OWED IN THE FINAL YEAR OF THAT ASSESSMENT CYCLE, AND THE TOTAL PROPERTY TAX LIABILITY ON THE ASSESSED VALUE OF THE PROPERTY PRIOR TO THE COMMENCEMENT OF THE PROJECT.

...

(j) *Administration.*

The Director of Finance may:

(1) adopt rules and regulations to carry out the provisions of this section, INCLUDING PROCEDURES FOR GRANTING PARTIAL CREDITS FOR ELIGIBILITY FOR LESS THAN A FULL TAXABLE YEAR;

...

**§ 10-18. High-performance market-rate rental housing – Citywide.**

(d) *Amount of credit.*

(1) The amount of the credit shall equal a percentage, as specified in paragraph (2) of this subsection, of [the difference between]:

(i) IF THE PROPERTY IS STILL IN THE ASSESSMENT CYCLE OF THE FIRST ASSESSMENT OF THE COMPLETED PROJECT FOLLOWING THE ISSUANCE OF AN OCCUPANCY PERMIT, THE DIFFERENCE BETWEEN the property tax liability that, but for the tax credit, [would be owed for the first full tax year on the first assessment after issuance of an occupancy permit for the completed project; and] IS OWED IN THE CURRENT YEAR OF THE ASSESSMENT CYCLE, AND THE TOTAL PROPERTY TAX LIABILITY ON THE ASSESSED VALUE OF THE PROPERTY PRIOR TO THE COMMENCEMENT OF THE PROJECT; OR

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1 (ii) [the property tax liability that would have been owed if the project had not  
2 been undertaken.] IF THE PROPERTY IS NO LONGER IN THE ASSESSMENT CYCLE  
3 OF THE FIRST ASSESSMENT OF THE COMPLETED PROJECT FOLLOWING THE  
4 ISSUANCE OF AN OCCUPANCY PERMIT, THE DIFFERENCE BETWEEN THE  
5 PROPERTY TAX LIABILITY THAT, BUT FOR THE TAX CREDIT, WAS OWED IN THE  
6 FINAL YEAR OF THAT ASSESSMENT CYCLE, AND THE TOTAL PROPERTY TAX  
7 LIABILITY ON THE ASSESSED VALUE OF THE PROPERTY PRIOR TO THE  
8 COMMENCEMENT OF THE PROJECT.

9 . . .

10 (k) *Administration.*

11 The Director of Finance may:

12 (1) adopt rules and regulations to carry out the provisions of this section, INCLUDING  
13 PROCEDURES FOR GRANTING PARTIAL CREDITS FOR ELIGIBILITY FOR LESS THAN A  
14 FULL TAXABLE YEAR;

15 . . .

16 **SECTION 2. AND BE IT FURTHER ORDAINED, That this Ordinance shall apply retroactively to**  
17 **all projects that have qualified for the credit prior to the effective date of this Ordinance, unless**  
18 **the amount of the credit will be reduced.**

19 **SECTION 3. 2- AND BE IT FURTHER ORDAINED,** That the catchlines contained in this  
20 Ordinance are not law and may not be considered to have been enacted as a part of this or any  
21 prior Ordinance.

22 **SECTION 4. 3- AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup>  
23 day after the date it is enacted.

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Certified as duly passed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Chief Clerk

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

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Mayor, Baltimore City