



## BALTIMORE HOUSING

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

FROM: Paul T. Graziano, *Commissioner*

DATE: June 17, 2014

RE: **City Council Bill 14-0335 –Newly Constructed Tax Credit - Reauthorization**

The Department of Housing and Community Development has reviewed City Council Bill 14-0335 for the purpose of reauthorizing and extending for a certain period the property tax credit for newly constructed dwellings; and generally relating to a property tax credit for newly constructed dwellings.

City Council Bill 14-0335, if approved, extends the current sunset date for the Newly Constructed tax credit program from June 30, 2014 until June 30, 2019. The Program started in 1995 to encourage the construction and purchase of new homes in the City by providing a 5-year tax credit for newly constructed or substantially rehabilitated properties that have been cited as vacant and abandoned for more than one year. The tax credit is 50% of the taxable value for the first year, followed by an annual decline of ten percentage points for the next four years.

The Department of Housing and Community Development supports the passage of City Council Bill 14-0335.

PTG:sd

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