


FROM	Name & Title	<i>Walter J. Horton</i> 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 16-0726 / Portable Homestead Tax Credit – Extending Coverage		

TO: The Honorable President and Members
Of the City Council
Room 400, City Hall

DATE: September 13, 2016

Attention: Ms. Natawna B. Austin

As requested, the Department of Real Estate has reviewed City Council Bill 16-0726, for the purpose of extending the Portable Homestead Tax Credit to include otherwise qualified homeowners who also receive a Targeted Homeowner's Tax Credit; providing for the automatic termination of the Portable Homestead Tax Credit under certain circumstances; and generally relating to property tax credits.

If enacted, this bill will provide an exception in which a homeowner may receive a Portable Homestead Tax Credit. Baltimore City Code, Section 10-1.1., (f) provides that in any year in which a homeowner receives a credit under this section, the homeowner may not receive:

- (1) the local portion of the credit under State Tax-Property Article, Section 9-105 {"Homestead tax credit"}; or
- (2) EXCEPT FOR THE TARGETED HOMEOWNER'S TAX CREDIT PROVIDED UNDER SECTION 10-16 OF THIS SUBTITLE, any other property tax credit provided by the City.

New [Portable Homestead Tax] credits may not be granted for any tax year beginning on or after July 1, 2020. The Department of Finance shall evaluate the efficacy of the credit established by this section and submit a report of its findings and recommendations on or before December 31, 2018, and December 31, 2020 to the Mayor and City Council.

The Targeted Homeowner's Tax Credit shall be granted annually on the July tax bill. No partial year credits may be granted. A property tax credit granted under this section, when combined with other tax credits, may not exceed the amount of property tax imposed on the property.

The Department of Real Estate has no objection to the passage of City Council Bill 16-0726.

WJH/lfw

No objection

