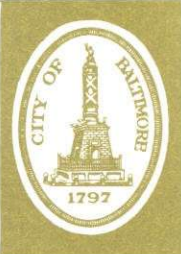


Andrew Kleine

FROM	NAME & TITLE	Andrew Kleine, Chief
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432 City Hall (396-4941)
	SUBJECT	City Council Bill #14-0312

CITY of
BALTIMORE
MEMO



DATE: March 14, 2014

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

Attention: Ms. Karen Randle

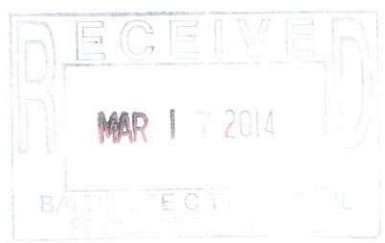
City Council bill 14-312 has been introduced for the purpose of providing a supplementary General Fund appropriation in the amount of \$3,000,000 to M-R: Miscellaneous General Expense – Service 122 to provide for funding of the recompense program for CHAP Property Tax Credits.

The source of this supplemental appropriation is the City's Assigned Fund Balance. The Department of Finance will utilize the supplemental appropriation to fund the CHAP Recompense Program. In July of 2013, the City of Baltimore took over calculation of the CHAP credit from the State Department of Assessments and Taxation. The Finance Department's audit of the program found several inconsistencies with the City Code, including an incorrect calculation and properties receiving the credit that were never approved by CHAP, but were informed by the Department of Assessments and Taxation they were eligible for the credit. In order to correct these discrepancies and to ensure that Baltimore City residents are fairly treated, the CHAP Recompense Program is to be established from these funds. It is estimated that up to \$3,000,000 in recompense applications could be approved.

The Department of Finance supports this legislation.

cc: Harry Black
Angela Gibson

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