

**CITY OF BALTIMORE
COUNCIL BILL 06-0550
(First Reader)**

Introduced by: Councilmembers Kraft, Young, Holton, Branch, Reisinger, Clarke, President
Dixon, Councilmembers Welch, Harris, D'Adamo, Curran
Introduced and read first time: November 20, 2006
Assigned to: Taxation and Finance Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Commission on
Aging and Retirement Education

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Property Tax – Senior Citizens Tax Credits**

3 FOR the purpose of establishing a tax credit for certain senior citizens under certain conditions;
4 setting the terms, conditions, and duration of the credit; providing for the administration of
5 the credit; and generally relating to property tax credits.

6 BY adding

7 Article 28 - Taxes
8 Section(s) 10-16
9 Baltimore City Code
10 (Edition 2000)

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

13 **Baltimore City Code**

14 **Article 28. Taxes**

15 **Subtitle 10. Credits**

16 **§ 10-16. SENIOR CITIZENS.**

17 (A) *DEFINITIONS.*

18 (1) *IN GENERAL.*

19 IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

20 (2) *BASELINE YEAR.*

21 “BASELINE YEAR” MEANS THE TAXABLE YEAR PRECEDING THE FIRST OF THE
22 CONTINUOUS SERIES OF TAXABLE YEARS FOR WHICH A TAXPAYER RECEIVES A CREDIT
23 UNDER THIS SECTION.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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1 (3) *COMBINED INCOME.*

2 (I) "COMBINED INCOME" MEANS THE AGGREGATE GROSS INCOME OF ALL
3 INDIVIDUALS, OTHER THAN AS SPECIFIED IN SUBPARAGRAPH (II) OF THIS
4 PARAGRAPH, WHO RESIDE IN A DWELLING

5 (II) "COMBINED INCOME" DOES NOT INCLUDE THE INCOME OF:

6 A. A DEPENDENT OF THE HOMEOWNER, AS PROVIDED IN § 152 OF THE
7 INTERNAL REVENUE CODE; OR

8 B. SOMEONE WHO PAYS A REASONABLE AMOUNT FOR RENT OR FOR ROOM AND
9 BOARD.

10 (4) *DIRECTOR.*

11 "DIRECTOR" MEANS THE DIRECTOR OF FINANCE OR DESIGNEE.

12 (B) *CREDIT GRANTED.*

13 IN ACCORDANCE WITH STATE TAX-PROPERTY ARTICLE § 9-245, A REAL PROPERTY TAX
14 CREDIT IS GRANTED AGAINST THE CITY PROPERTY TAX IMPOSED ON A RESIDENCE THAT IS
15 OWNED, IN WHOLE OR IN PART, BY AN INDIVIDUAL WHO:

16 (1) IS 70 YEARS OLD OR OLDER;

17 (2) USES THE PROPERTY AS HIS OR HER PRINCIPAL RESIDENCE FOR AT THE LEAST THE
18 PERIOD THAT WOULD BE REQUIRED TO QUALIFY FOR THE HOMEOWNER TAX CREDIT
19 AUTHORIZED BY STATE TAX-PROPERTY ARTICLE § 9-104; AND

20 (3) LIVES IN A HOUSEHOLD WITH A COMBINED INCOME THAT DOES NOT EXCEED
21 \$35,000.

22 (C) *AMOUNT OF CREDIT.*

23 (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE AMOUNT OF THE TAX
24 CREDIT GRANTED UNDER THIS SECTION SHALL EQUAL:

25 (I) THE INCREASE OF THE CITY PROPERTY TAX IN THE YEAR FOR WHICH THE
26 CREDIT IS SOUGHT OVER THE CITY PROPERTY TAX IN THE BASELINE YEAR; PLUS

27 (II) 25% OF THE PROPERTY TAX IN THE BASELINE YEAR.

28 (2) THE AMOUNT OF THE CREDIT SHALL BE CALCULATED AFTER ALL OTHER CREDITS
29 GRANTED FOR THAT PROPERTY HAVE BEEN APPLIED.

30 (3) PROPERTY TAXES ATTRIBUTABLE TO AN INCREASE IN THE PROPERTY'S VALUE
31 BECAUSE OF SUBSTANTIAL IMPROVEMENTS MADE TO THE PROPERTY SHALL BE
32 EXCLUDED FROM THE CALCULATION MADE UNDER PARAGRAPH (1) OF THIS
33 SUBSECTION.

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1 (D) *DURATION OF CREDIT.*

2 THE TAX CREDIT GRANTED UNDER THIS SECTION CONTINUES AS LONG AS AN OWNER AND
3 THE PROPERTY REMAIN QUALIFIED UNDER SUBSECTION (B) OF THIS SECTION.

4 (E) *APPLICATION FOR CREDIT.*

5 (1) TO RECEIVE THE CREDIT, A PROPERTY OWNER SHALL SUBMIT AN APPLICATION TO THE
6 FINANCE DIRECTOR.

7 (2) THE APPLICATION SHALL:

8 (I) DEMONSTRATE THAT THE OWNER IS ENTITLED TO THE CREDIT;

9 (II) BE SUBMITTED ON THE FORM THAT THE DIRECTOR REQUIRES; AND

10 (III) FOR A FISCAL YEAR, BE SUBMITTED ON OR BEFORE THE DATE THAT THE
11 DIRECTOR SETS.

12 (F) *RULES AND REGULATIONS.*

13 THE DIRECTOR OF FINANCE MAY ADOPT RULES AND REGULATIONS TO IMPLEMENT THE
14 PROVISIONS OF THIS SECTION.

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

18 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
19 after the date it is enacted, effective for all tax years beginning on or after July 1, 2007.