



## Legislation Details (With Text)

**File #:** 19-0414      **Version:** 0      **Name:** High-Performance Newly Constructed Dwellings - Property Tax Credit

**Type:** Ordinance      **Status:** Enacted

**File created:** 7/22/2019      **In control:** City Council

**On agenda:**      **Final action:** 8/29/2019

**Enactment date:**      **Enactment #:** 19-290

**Title:** High-Performance Newly Constructed Dwellings - Property Tax Credit  
For the purpose of establishing a property tax credit for high-performance newly constructed dwellings; imposing certain limitations, conditions, and qualifications for credit eligibility; providing for the amount, duration, and administration of the credit; defining certain terms, providing for a special effective date; and generally relating to a property tax credit for high-performance newly constructed dwellings.

**Sponsors:** Eric T. Costello, Isaac "Yitzy" Schleifer, Bill Henry, Mary Pat Clarke, Kristerfer Burnett, Shannon Sneed, Zeke Cohen, John Bullock, Danielle N. McCray, Robert Stokes, Sr., Mayor Brandon M. Scott, Leon F. Pinkett, III, Edward Reisinger

**Indexes:** Construction, Dwellings, High-Performance Buildings, Property Tax Credit

**Code sections:**

**Attachments:** 1. DHCD 19-0414, 2. Planning 19-0414, 3. Law 19-0414, 4. 19-0414~1st Reader, 5. Finance 19-0414, 6. BDC 19-0414, 7. 19-0414~3rd Reader, 8. 2nd Reader Committee Amendment, 9. Complete Bill File 19-0414

Date	Ver.	Action By	Action	Result
9/9/2019	0	Mayor	Signed by Mayor	
8/19/2019	0	City Council	Advanced to 3rd Reader on same day	
8/19/2019	0	City Council	Approved and Sent to the Mayor	
8/19/2019	0	Taxation, Finance and Economic Development Committee	Recommended Favorably with Amendment	
7/25/2019	0	The City Council	Refer to Dept. of Planning	
7/25/2019	0	The City Council	Refer to Dept. of Finance	
7/25/2019	0	The City Council	Refer to Board of Estimates	
7/25/2019	0	The City Council	Refer to City Solicitor	
7/25/2019	0	The City Council	Refer to Dept. of Housing and Community Development	
7/25/2019	0	The City Council	Refer to Baltimore Development Corporation	
7/25/2019	0	Taxation, Finance and Economic Development Committee	Recommended Favorably with Amendment	Pass
7/22/2019	0	Taxation, Finance and Economic Development Committee	Scheduled for a Public Hearing	
7/22/2019	0	City Council	Assigned	
7/22/2019	0	City Council	Introduced	

**Explanation:** Capitals indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

\* **Warning:** This is an unofficial, introductory copy of the bill.  
The official copy considered by the City Council is the first reader copy.

**Introductory\***  
**City of Baltimore**  
**Council Bill**

Introduced by: Councilmember Costello

A Bill Entitled

An Ordinance concerning

**High-Performance Newly Constructed Dwellings - Property Tax Credit**

For the purpose of establishing a property tax credit for high-performance newly constructed dwellings; imposing certain limitations, conditions, and qualifications for credit eligibility; providing for the amount, duration, and administration of the credit; defining certain terms, providing for a special effective date; and generally relating to a property tax credit for high-performance newly constructed dwellings.

By authority of

Tax-Property Article  
Section 9-242  
Maryland Code

By adding

Article 28 - Taxes  
Section 10-31  
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**

**§ 10-31. High-performance newly constructed dwellings.**

(a) *Definitions.*

(1) *In general.*

In this section, the following terms have the meanings indicated.

(2) *High-performance.*

“High-performance” means meeting the performance standards set forth in State Tax-Property Article \_ 9-242(a) {“High performance building’ defined”}.

(3) *Newly constructed dwelling.*

“Newly constructed dwelling” has the meaning stated in State Tax-Property Article \_ 9-304(d) {“Newly constructed dwellings”}.

(4) *Owner.*

“Owner” has the meaning stated in State Tax-Property Article \_ 9-304(d) {“Newly constructed dwellings”}.

(b) *Credit granted.*

There is established a property tax credit, as authorized in State Tax-Property Article § 9-242, against the property tax imposed on high-performance newly constructed dwellings that are owned by qualifying owners.

(c) *Qualifications.*

The owner of a high-performance newly constructed dwelling may qualify for the tax credit authorized by this section by:

- (1) purchasing a high-performance newly constructed dwelling;
- (2) occupying that dwelling as his or her principal residence;
- (3) filing an application for the credit either:
  - (i) within 90 days after settling on the purchase of the dwelling; or
  - (ii) within 90 days of the enactment of this ordinance if settlement on the purchase of the dwelling occurred after March 31, 2019;
- (4) for each taxable year for which the credit is sought, filing a state income tax return as a resident of Baltimore City;
- (5) satisfying all other conditions imposed by the regulations of the Director of Finance; and
- (6) not currently receiving the credit authorized by § 10-5 of this subtitle {“Newly constructed dwellings”}.

(d) *Amount of credit.*

A property tax credit granted under this section shall equal the amount of property tax imposed on the real property, less the amount on any other credit applicable in that year, multiplied by:

- (1) 50% for the 1st full taxable year in which the property qualifies for the tax credit;
- (2) 40% for then 2nd full taxable year in which the property qualifies for the tax credit;
- (3) 30% for the 3rd full taxable year in which the property qualifies for the tax credit;
- (4) 20% for the 4th full taxable year in which the property qualifies for the tax credit;

- (5) 10% for the 5th full taxable year in which the property qualifies for the tax credit; and
- (6) 0% for each taxable year thereafter.

(e) *Rules and regulations.*

- (1) The Director of Finance shall adopt regulations to carry out the provisions of this section.
- (2) These regulations shall include procedures necessary and appropriate for the submission of an application for and the granting of a property tax credit under this section.

(f) *Reporting credits.*

The estimated amount of all tax credits received by owners under this section in any fiscal year:

- (1) shall be reported by the Director of Finance of Baltimore City as a “tax expenditure” for that fiscal year; and
- (2) shall be included in the publication of the City’s budget for any subsequent fiscal year with the estimated or actual City property tax revenue for the applicable fiscal year.

(g) *Annual report.*

The Director of Finance shall report annually to the Board of Estimates and to the Mayor and City Council any results and findings of any analysis of the tax credit, including the steps taken and proposed to be taken to promote and otherwise further the use of the tax credit program.

(h) *Termination of program.*

After June 30, 2024, additional owners of high-performance newly constructed dwellings may not apply for a credit under this section.

**Section 2. And be it further ordained,** That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

**Section 3. And be it further ordained,** That this Ordinance takes effect on the 30<sup>th</sup> day after the date it is enacted.