



City of Baltimore

City Council
City Hall, Room 408
100 North Holliday Street
Baltimore, Maryland 21202

Legislation Text

File #: 12-0040, **Version:** 0

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

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INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL

Introduced by: The Council President
At the request of: The Administration (Department of Finance)

A BILL ENTITLED

AN ORDINANCE concerning
Targeted Homeowner's Tax Credit - Tax Credit Disclosures

FOR the purpose of providing a property tax credit calculated on the improved portion of certain owner-occupied property; imposing certain limitations, conditions, and qualifications; providing for the administration of the credit; requiring certain tax credit disclosures to be made to buyers of residential real property; imposing penalties for failure to disclose; providing for a special effective date; and generally relating to property tax credits.

BY authority of
Article - Tax-Property
Section(s) 9-221
Annotated Code of Maryland

BY adding
Article 28 - Taxes
Section(s) 10-16
Baltimore City Code
(Edition 2000)

BY adding
Article 2 - Consumer Protections
Section(s) 14-7
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

§ 10-16. TARGETED HOMEOWNER'S TAX CREDIT.

(A) CREDIT GRANTED.

IN ACCORDANCE WITH STATE TAX-PROPERTY ARTICLE § 9-221, A TARGETED HOMEOWNER'S TAX CREDIT IS GRANTED AGAINST THE CITY PROPERTY TAX IMPOSED ON OWNER-OCCUPIED PROPERTY THAT HAS QUALIFIED FOR THE HOMESTEAD TAX CREDIT UNDER STATE PROPERTY-TAX ARTICLE § 9-105.

(B) SCOPE.

(1) THE CREDIT IS CALCULATED BY MULTIPLYING CREDIT RATE BY THE ASSESSED VALUE OF THE IMPROVED PORTION OF THE PROPERTY.

(2) THE CREDIT SHALL BE GRANTED ANNUALLY ON THE INITIAL JULY TAX BILL. NO PARTIAL YEAR CREDITS MAY BE GRANTED.

(3) A HOMEOWNER IS ENTITLED TO THE CREDIT GRANTED UNDER THIS SECTION REGARDLESS OF THE AMOUNT OF THE HOMESTEAD TAX CREDIT TO WHICH THE HOMEOWNER IS ENTITLED.

(C) RATE AND AMOUNT OF CREDIT.

(1) THE RATE OF THE CREDIT FOR EACH TAX YEAR SHALL BE SET BY THE BOARD OF ESTIMATES ON OR BEFORE THE DATE ON WHICH THE BOARD OF ESTIMATES STATES THE RATE FOR THE LEVY OF FULL RATE PROPERTY TAXES IN THAT TAX YEAR.

(2) 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.

(D) RULES AND REGULATIONS; ADMINISTRATION.

(1) THE DIRECTOR OF FINANCE SHALL ADOPT RULES AND REGULATIONS NECESSARY OR APPROPRIATE TO CARRY OUT THE PROVISIONS OF THIS SECTION.

(2) THE DIRECTOR OF FINANCE MAY:

(I) SETTLE DISPUTED CLAIMS THAT ARISE IN CONNECTION WITH THE CREDIT AUTHORIZED BY THIS SECTION; AND

(II) DELEGATE HIS OR HER POWERS OR DUTIES TO ADMINISTER THIS SECTION TO ANY AGENCY OR EMPLOYEE OF THE CITY.

Article 2. Consumer Protections

Subtitle 14. Real Estate Practices - Disclosures

§ 14-7. TAX CREDITS.

(A) "SELLER" DEFINED.

IN THIS SECTION, "SELLER" MEANS:

- (1) THE OWNER OF REAL PROPERTY BEING OFFERED FOR SALE; OR
- (2) A REAL ESTATE AGENT, ATTORNEY, LENDER, OR OTHER PERSON ACTING ON BEHALF OF THE OWNER OF THE PROPERTY BEING OFFERED FOR SALE.

(B) DISCLOSURE OF CREDITS REQUIRED.

AT OR BEFORE THE CLOSING ON A SALE OF ANY RESIDENTIAL REAL PROPERTY, THE SELLER MUST PROVIDE TO THE BUYER A TAX CREDIT DISCLOSURE STATEMENT.

(C) FORM AND CONTENTS.

THE DISCLOSURE STATEMENT SHALL:

- (1) BE IN THE FORM APPROVED BY THE DEPARTMENT OF FINANCE; AND
- (2) CONTAIN:
 - (I) A LIST OF THE CREDITS FOR WHICH THE BUYER MIGHT BE ELIGIBLE;
 - (II) THE ESTIMATED AMOUNT OF THE TAX CREDITS AVAILABLE TO THE BUYER;
 - (III) THE ESTIMATED EFFECTIVE TAX RATE AFTER CREDITS; AND
 - (IV) INSTRUCTIONS ON HOW TO APPLY FOR THE CREDITS.

(D) BUYER'S ACKNOWLEDGMENT.

THE SELLER SHALL REQUEST THE BUYER TO SIGN A COPY OF THE DISCLOSURE STATEMENT TO ACKNOWLEDGE ITS RECEIPT.

(E) PENALTIES.

ANY PERSON WHO VIOLATES ANY PROVISION OF THIS SECTION IS GUILTY OF A MISDEMEANOR AND, ON CONVICTION, IS SUBJECT TO A FINE OF NOT MORE THAN \$1,000 FOR EACH OFFENSE.

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 date it is enacted.

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