City of Baltimore

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

Legislation Text

File #: 11-0668, **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
(Charter Amendment)

Introduced by: Councilmember Stokes

A RESOLUTION ENTITLED

A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning
Charter Amendment - Property Tax Limitations

FOR the purpose of imposing limits on the City property tax; authorizing the establishment of 1 or more continuing, nonlapsing funds to be used for the reduction of the property tax; conforming related provisions; and submitting this amendment to the qualified voters of the City for adoption or rejection.
BY proposing to add
  Article I - General Provisions
  Section(s) 12
  Baltimore City Charter
  (1996 Edition)

BY proposing to amend
  Article VI - Board of Estimates
  Section(s) 6(b)(5)(d) and 7(c)
  Baltimore City Charter
  (1996 Edition)

   SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the City Charter is proposed to be amended to read as follows:

   Baltimore City Charter

   Article I. General Provisions

§ 12 . PROPERTY TAX LIMITATIONS.

  (A) "PROPERTY TAX" DEFINED.

(1)	EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, "PROPERTY TAX" MEANS THE TAX LEVIED AND IMPOSED FOR THE USE OF THE MAYOR AND CITY COUNCIL OF BALTIMORE ON ALL REAL PROPERTY IN THE CITY OF BALTIMORE.

(2)	"PROPERTY TAX" DOES NOT INCLUDE THE TAX LEVIED AND IMPOSED ON PERSONAL PROPERTY OR ON OPERATING REAL PROPERTY, AS DESCRIBED IN STATE TAX-PROPERTY ARTICLE § 8-109(C).

(B) LIMITATIONS.

(1)	GENERAL.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHARTER, THE PROPERTY TAX LEVIED AND IMPOSED BY THE CITY OF BALTIMORE MAY NOT EXCEED THE FOLLOWING.

(2) INTERIM REDUCTIONS.

FOR EACH OF THE TAXABLE YEARS BEGINNING JULY 1, 2012, THROUGH THE TAXABLE YEAR BEGINNING JULY 1, 2015, THE PROPERTY TAX SHALL BE LEVIED AND IMPOSED AT A RATE THAT, FOR EVERY $100 OF ASSESSED OR ASSESSABLE VALUE OF REAL PROPERTY, IS AT LEAST $0.15 LOWER THAN THE RATE THAT WAS LEVIED AND IMPOSED IN THE PRECEDING TAXABLE YEAR.

(3) LONG-TERM LIMITATION.

FOR THE TAXABLE YEAR BEGINNING JULY 1, 2016, AND FOR EACH SUBSEQUENT TAXABLE YEAR, THE PROPERTY TAX RATE MAY NOT EXCEED $1.10 FOR EVERY $100 OF ASSESSED OR ASSESSABLE VALUE OF REAL PROPERTY.

(C) NONLAPSING FUNDS FOR TAX REDUCTION.

(1) AUTHORIZATION.

BY ORDINANCE, THE MAYOR AND CITY COUNCIL OF BALTIMORE MAY ESTABLISH 1 OR MORE CONTINUING, NONLAPSING FUNDS FOR PURPOSES OF REDUCING THE CITY PROPERTY TAX.

(2) REVENUE SOURCES.

A FUND ESTABLISHED UNDER THIS SECTION:

(I)	SHALL COMPRISE ALL REVENUES DERIVED FROM ANY PART OF THE HOMESTEAD CREDIT PERCENTAGE THAT EXCEEDS 104%; AND

(II)	MAY COMPRISE:

(A) MONEY APPROPRIATED TO THE FUND IN THE ANNUAL ORDINANCES OF ESTIMATES; AND

(B) GRANTS OR DONATIONS MADE TO THE FUND.

(3) CONTINUING NATURE OF FUND.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHARTER, UNSPENT PORTIONS OF A FUND ESTABLISHED UNDER THIS SECTION:

(I)   REMAIN IN THE FUND, TO BE USED EXCLUSIVELY FOR THEIR ORDAINED PURPOSES;

(II)   DO NOT REVERT TO THE GENERAL REVENUES OF THE CITY; AND

      (III) THEIR APPROPRIATIONS DO NOT LAPSE.

   Article VI. Board of Estimates

§ 6. Adoption of proposed Ordinance of Estimates.

  (b) Accompanying materials.

The proposed Ordinance of Estimates that the Board submits to the City Council shall be accompanied by the following materials:
    . . . .

(5)   a statement setting out:
        . . . .

(d)   the rate for the levy of full rate property taxes (BUT NOT TO EXCEED THE LIMITATIONS IMPOSED BY ARTICLE 1, § 12 OF THIS CHARTER) which, given the revenues expected under (a) above, the total appropriations in the proposed Ordinance of Estimates, and the taxable basis, will be necessary to raise sufficient total revenues to cover total anticipated expenditures;
        . . . .

§ 7. Enactment of Ordinance of Estimates.

  (c) Revenue ordinances.

(1)   As soon as practicable after the passage of the Ordinance of Estimates, the City Council shall enact such revenue ordinances as are necessary to produce sufficient expected revenues, as estimated by the Board of Estimates, to cover the total anticipated expenditures authorized by the Ordinance of Estimates. The Council may adopt revenue sources or revenue rates other than those proposed by the Board and in each such instance the estimate of the revenue to be yielded by such a source or rate shall be made by the Board of Estimates.

(2)   The Board of Estimates shall, taking into account any reductions and eliminations made by the City Council in the anticipated expenditures contained in the proposed Ordinance of Estimates and the revenues to be derived from all existing sources and from any new sources or new rates enacted by the City Council, certify to the Council the difference between the anticipated expenditures for the next fiscal year contained in the Ordinance of Estimates and all expected revenues other than from the full rate property tax. The Board shall then state a rate for the levy of full rate property taxes sufficient to realize the amount required to meet the said difference and the ordinance making

the annual levy of full rate property taxes shall fix a rate not less than that stated by the Board so that it shall not be necessary at any time for the City to create a floating debt to meet any deficiency, and it shall not be lawful for the City to create a floating debt for any such purpose. IN NO EVENT, HOWEVER, MAY THE RATE SET FOR THE LEVY OF FULL RATE PROPERTY TAXES EXCEED THE LIMITATIONS IMPOSED BY ARTICLE 1, § 12 OF THIS CHARTER

   SECTION 2. AND BE IT FURTHER RESOLVED, That this proposed amendment to the City Charter be submitted to the legal and qualified voters of Baltimore City, for adoption or rejection, in accordance with Article XI-A, § 5 of the Maryland Constitution, in the form specified by the City Solicitor.

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