



Legislation Text

File #: 22-0212, Version: 0

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, President Mosby

A Bill Entitled

An Ordinance concerning

Residential Retention Tax Credit - Amendment

For the purpose of amending application requirements for the portable homestead tax credit; terminating the sunset of the credit; and generally relating to the portable homestead property tax credit.

By repealing and re-ordaining, with amendments

Article 28 - Taxes
Sections 10-1.1(c), 10-1.1(k)
Baltimore City Code
(Edition 2000)

By repealing

Article 28 - Taxes
Section 10-1.1(l)
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

§ 10-1.1 Portable homestead.

(c) *Qualifications.*

To qualify for the credit authorized by this section, the homeowner must:

(1)for the 5 tax years preceding the purchase of the new dwelling in Baltimore City:

(i) have owned and occupied, as his or her principal residence, a dwelling in the City; and

(ii)received a credit under State Tax-Property Article, § 9-105 {"Homestead tax credit"} for that dwelling;

(2)occupy the newly purchased dwelling as his or her principal residence;

(3)submit an application to the Finance Director in the form and containing the information that the Director requires[, for a credit under this section] either:

(i) within 90 days of settlement on the newly purchased dwelling or;

(ii)by September 30, 2022, if settlement on the newly purchased dwelling occurred between July 1, 2020 and June 30, 2022;

(4)for each tax year for which the credit is sought:

(i) file a State income tax return as a resident of Baltimore City; and

(ii)submit a copy of that return to the Director, in the manner and within the time period required by the rules and regulations adopted under this section; and

(5)comply with all other procedures and conditions required by the rules and regulations adopted under this section.

...

(k) *Reporting.*

The Department of Finance shall evaluate the efficacy of the credit established by this section and submit a report of its findings and recommendations on or before December 31, [2018] 2024, and [December 31, 2020] every 2 years thereafter, to:

- (1) the Mayor and the City Council; and
- (2) in accordance with State Government Article, § 2-1246:
 - (i) the Baltimore City House Delegation;
 - (ii) the Baltimore City [Senators] Senate Delegation;
 - (iii) the Senate Budget and Taxation Committee; and
 - (iv) the House Committee on Ways and Means.

[(l) *Termination of program.*]

- [(1) New credits may not be granted under this section for any tax year beginning on or after July 1, 2020.]
- [(2) This subsection does not apply to an owner's continued receipt of an annual credit, as provided in subsection (d) of this section, with respect to a property for which the tax credit was initially granted and received for a tax year ending on or before June 30, 2020.]

Section 2. And be it further ordained, That, except as provided in Section 3 of this Ordinance, a homeowner eligible for the credit authorized by Article 28, § 10-1.1 of the City Code, as provided for under § 10-1.1(c)(3)(ii) of the same Article, may receive this credit effective as of the date of settlement on their newly purchased dwelling, and depending on the original date of the settlement, up to 2 years of credit value in an amount up to \$1,900, representing (i) \$1,000 for the 1st tax year of this credit; and (ii) \$900 for the 2nd tax year of this credit, as determined by the Director of Finance.

Section 3. And be it further ordained, That a homeowner eligible for the credit authorized by Article 28, § 10-1.1 of the City Code, as provided for under § 10-1.1(c)(3)(ii) of the same Article, and who newly purchased a dwelling in Baltimore City within a low or moderate income census tract, as further described by § 10-1.1(d)(2), may receive this credit effective as of the date of settlement on their newly purchased dwelling, and depending on the original date of the settlement, up to 2 years of credit value in an amount up to \$2,300, representing (i) \$1,200 for the 1st tax year of this credit; and (ii) \$1,100 for the 2nd tax year of this credit, as determined by the Director of Finance.

Section 4. And be it further ordained, That this Ordinance takes effect on the 30th day after the date it is enacted.