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By: **Delegate Campbell**

Introduced and read first time: January 14, 2002

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - Tax Credit for Newly Constructed and First Purchased**  
3 **Dwellings - Termination Date**

4 FOR the purpose of altering the termination date applicable to certain provisions  
5 authorizing the Mayor and City Council of Baltimore City to grant, by law, a  
6 property tax credit against the local property tax imposed on newly constructed  
7 dwellings or first purchased dwellings under certain circumstances; and  
8 generally relating to property tax credits for newly constructed dwellings or first  
9 purchased dwellings in Baltimore City.

10 BY repealing and reenacting, with amendments,  
11 Article - Tax - Property  
12 Section 9-304(d)  
13 Annotated Code of Maryland  
14 (2001 Replacement Volume and 2001 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Tax - Property**

18 9-304.

19 (d) (1) (i) In this subsection the following words have the meanings  
20 indicated.

21 (ii) 1. "Newly constructed dwelling" means residential real  
22 property that has not been previously occupied since its construction and for which  
23 the building permit for construction was issued on or after October 1, 1994.

24 2. "Newly constructed dwelling" includes a "vacant dwelling"  
25 as defined in subsection (c)(1) of this section that has been rehabilitated in compliance  
26 with applicable local laws and regulations and has not been previously occupied since  
27 the rehabilitation.

1 (iii) "First purchased dwelling" means owner-occupied residential  
 2 real property that is the first residence owned or purchased in Baltimore City by the  
 3 applicant for a property tax credit granted under this subsection.

4 (iv) "Homeowner" has the meaning stated in § 9-105(a)(3) of this  
 5 title.

6 (2) The Mayor and City Council of Baltimore City may grant, by law, a  
 7 property tax credit under this subsection against the county property tax imposed on  
 8 newly constructed dwellings or first purchased dwellings that are owned by  
 9 qualifying owners.

10 (3) Except as provided in paragraph (4) of this subsection, a property tax  
 11 credit granted under this subsection may not exceed the amount of county property  
 12 tax imposed on the real property, less the amount of any other credit applicable in  
 13 that year, multiplied by:

14 (i) 50% for the first taxable year in which the property qualifies for  
 15 the tax credit;

16 (ii) 40% for the second taxable year in which the property qualifies  
 17 for the tax credit;

18 (iii) 30% for the third taxable year in which the property qualifies  
 19 for the tax credit;

20 (iv) 20% for the fourth taxable year in which the property qualifies  
 21 for the tax credit;

22 (v) 10% for the fifth taxable year in which the property qualifies for  
 23 the tax credit; and

24 (vi) 0% for each taxable year thereafter.

25 (4) (i) The Mayor and City Council of Baltimore may grant a property  
 26 tax credit for any newly constructed dwelling for which a building permit was issued  
 27 on or after July 1, 1994 but before October 1, 1994, provided that an application for a  
 28 property tax credit is submitted on or before August 31, 1998.

29 (ii) Subject to the limitations imposed under subparagraph (i) of  
 30 this paragraph, a property tax credit granted under this subsection may not exceed  
 31 the amount of county property tax imposed on the real property, less the amount of  
 32 any other credit applicable in that year, multiplied by:

33 1. 30% for the taxable year beginning after June 30, 1998;

34 2. 20% for the taxable year beginning after June 30, 1999;

35 3. 10% for the taxable year beginning after June 30, 2000;

36 and

