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By: Delegate Marriott Introduced and read first time: February 24, 2005 Assigned to: Rules and Executive Nominations Re-referred to: Ways and Means, March 14, 2005 Committee Report: Favorable House action: Adopted Read second time: March 25, 2005 CHAPTER____ 1 AN ACT concerning 2 **Baltimore City - Property Tax Credit for Newly Constructed Dwellings** 3 FOR the purpose of altering the termination date applicable to certain provisions authorizing the Mayor and City Council of Baltimore City to grant, by law, a 4 5 property tax credit against the local property tax imposed on certain newly constructed dwellings under certain circumstances; and generally relating to 6 property tax credits for newly constructed dwellings in Baltimore City. 7 8 BY repealing and reenacting, with amendments, Article - Tax - Property 9 Section 9-304(d) 10 Annotated Code of Maryland 11 (2001 Replacement Volume and 2004 Supplement) 12 13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 14 MARYLAND, That the Laws of Maryland read as follows: 15 **Article - Tax - Property** 16 9-304. (d) In this subsection the following words have the meanings 17 (1) (i) 18 indicated. 19 "Newly constructed dwelling" means residential real (ii) 1. 20 property that has not been previously occupied since its construction and for which 21 the building permit for construction was issued on or after October 1, 1994.

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3			2. "Newly constructed dwelling" includes a "vacant dwelli of this section that has been rehabilitated in compliance regulations and has not been previously occupied since
5 6	title.	(iii)	"Homeowner" has the meaning stated in § 9-105(a)(3) of this
		der this si	yor and City Council of Baltimore City may grant, by law, a ubsection against the county property tax imposed on at are owned by qualifying owners.
		property	rty tax credit granted under this subsection may not exceed tax imposed on the real property, less the amount of hat year, multiplied by:
13 14	the tax credit;	(i)	50% for the first taxable year in which the property qualifies for
15 16	for the tax credit;	(ii)	40% for the second taxable year in which the property qualifies
17 18	for the tax credit;	(iii)	30% for the third taxable year in which the property qualifies
19 20	for the tax credit;	(iv)	20% for the fourth taxable year in which the property qualifies
21 22	the tax credit; and	(v)	10% for the fifth taxable year in which the property qualifies for
23		(vi)	0% for each taxable year thereafter.
24 25	(4) Owners of newly constructed dwellings may qualify for the tax credit authorized by this subsection by:		
26		(i)	purchasing a newly constructed dwelling;
27 28	residence;	(ii)	occupying the newly constructed dwelling as their principal
29 30	credit as a resident of	(iii) Baltimor	filing a State income tax return during the period of the tax re City; and
31 32	and City Council of I	(iv) Baltimore	satisfying other requirements as may be provided by the Mayor City.
35	(5) The Mayor and City Council of Baltimore City may provide for procedures necessary and appropriate for the submission of an application for and the granting of a property tax credit under this subsection, including procedures for granting partial credits for eligibility for less than a full taxable year.		

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- The estimated amount of all tax credits received by owners under this 2 subsection in any fiscal year shall be reported by the Director of Finance of Baltimore 3 City as a "tax expenditure" for that fiscal year and shall be included in the publication 4 of the City's budget for any subsequent fiscal year with the estimated or actual City 5 property tax revenue for the applicable fiscal year. After June 30, [2005] 2007, additional owners of newly 7 constructed dwellings may not be granted a credit under this subsection. 8 This paragraph does not apply to an owner's continuing receipt (ii) 9 of a credit as allowed in paragraph (3) of this subsection, with respect to a property for 10 which a tax credit under this subsection was received for a taxable year ending on or 11 before June 30, [2005] 2007.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 12 13 July 1, 2005.