

HOUSE BILL 36

Q2

6lr0612

(PRE-FILED)

By: ~~Delegate Haynes~~ Baltimore City Delegation

Requested: August 25, 2015

Introduced and read first time: January 13, 2016

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 18, 2016

CHAPTER _____

1 AN ACT concerning

2 **Rebuilding Baltimore City Communities Act of 2016**

3 FOR the purpose of ~~requiring~~ altering the definition of “vacant dwelling” for purposes of
4 certain property tax credits against the property tax imposed on certain vacant
5 dwellings and newly constructed dwellings located in Baltimore City; authorizing
6 the Mayor and City Council of Baltimore City to grant, by law, a certain property tax
7 credit against the property tax imposed on certain property located in certain
8 ~~communities~~ neighborhoods in Baltimore City; establishing the amount and
9 duration of the property tax credit; providing for the eligibility requirements of the
10 property tax credit; requiring the Mayor and City Council of Baltimore City to
11 provide certain procedures for granting the property tax credit; defining certain
12 terms; providing for the application of this Act; and generally relating to a property
13 tax credit in Baltimore City.

14 BY repealing and reenacting, without amendments,
15 Article – Tax – Property
16 Section 9–304(c)(1) and (d)(1)(i) and (ii)
17 Annotated Code of Maryland
18 (2012 Replacement Volume and 2015 Supplement)

19 BY adding to
20 Article – Tax – Property
21 Section 9–304(i)
22 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



(2012 Replacement Volume and 2015 Supplement)

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

Article – Tax – Property

9–304.

(c) (1) In this subsection, “vacant dwelling” means residential real property that:

(i) contains no more than four dwelling units; and

(ii) 1. has been cited ~~as vacant and abandoned on a housing or building violation notice for 1 year~~ **WITH A VACANT BUILDING NOTICE**; or

2. has been owned by the Mayor and City Council of Baltimore City for 1 year and is in need of substantial repair to comply with applicable city codes.

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

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

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

(I) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) “NEWLY CONSTRUCTED DWELLING” HAS THE MEANING STATED IN SUBSECTION (D) OF THIS SECTION.

(III) “VACANT DWELLING” HAS THE MEANING STATED IN SUBSECTION (C) OF THIS SECTION.

(2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY ~~SHALL~~ MAY GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE COUNTY PROPERTY TAX IMPOSED ON REAL PROPERTY THAT:

1 (I) IS LOCATED IN ANY ~~COMMUNITY~~ NEIGHBORHOOD THAT THE
2 BALTIMORE CITY HOUSING DEPARTMENT DETERMINES HAS A VACANT DWELLING
3 RATE OF AT LEAST 35% FOR EACH OF THE PRIOR 3 YEARS; AND

4 (II) IS OWNED BY QUALIFYING OWNERS OF A VACANT OR NEWLY
5 CONSTRUCTED DWELLING.

6 (3) A PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION
7 SHALL BE:

8 ~~(I)~~ UP TO 100% OF THE PROPERTY TAX IMPOSED ON THE VALUE
9 OF THE IMPROVEMENTS FOR THE FIRST 10 TAXABLE YEARS IN WHICH THE
10 PROPERTY QUALIFIES FOR THE TAX CREDIT;

11 ~~(II) 88% FOR THE 11TH TAXABLE YEAR IN WHICH THE~~
12 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT;~~

13 ~~(III) 76% FOR THE 12TH TAXABLE YEAR IN WHICH THE~~
14 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT;~~

15 ~~(IV) 64% FOR THE 13TH TAXABLE YEAR IN WHICH THE~~
16 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT;~~

17 ~~(V) 52% FOR THE 14TH TAXABLE YEAR IN WHICH THE~~
18 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT;~~

19 ~~(VI) 40% FOR THE 15TH TAXABLE YEAR IN WHICH THE~~
20 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT;~~

21 ~~(VII) 28% FOR THE 16TH TAXABLE YEAR IN WHICH THE~~
22 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT;~~

23 ~~(VIII) 16% FOR THE 17TH TAXABLE YEAR IN WHICH THE~~
24 ~~PROPERTY QUALIFIES FOR THE TAX CREDIT; AND~~

25 ~~(IX) 0% FOR EACH TAXABLE YEAR THEREAFTER.~~

26 (4) OWNERS OF VACANT OR NEWLY CONSTRUCTED DWELLINGS MAY
27 QUALIFY FOR THE TAX CREDIT AUTHORIZED UNDER THIS SUBSECTION BY:

28 (I) 1. ~~A~~ SUBSTANTIALLY REHABILITATING A VACANT
29 DWELLING IN COMPLIANCE WITH THE CODE AND LAWS APPLIED TO DWELLINGS;
30 ~~AND~~

1 ~~B. OCCUPYING THE DWELLING AFTER REHABILITATION~~
2 ~~AS THEIR PRINCIPAL RESIDENCE; OR~~

3 2. A. PURCHASING A NEWLY CONSTRUCTED
4 DWELLING; AND

5 B. OCCUPYING THE NEWLY CONSTRUCTED DWELLING AS
6 THEIR PRINCIPAL RESIDENCE; AND

7 (II) FILING A STATE INCOME TAX RETURN DURING THE PERIOD
8 OF THE TAX CREDIT AS A RESIDENT OF BALTIMORE CITY.

9 (5) NOTWITHSTANDING PARAGRAPH (4) OF THIS SUBSECTION, A
10 COMMUNITY DEVELOPMENT CORPORATION OR A DEVELOPER MAY QUALIFY FOR
11 THE TAX CREDIT UNDER THIS SUBSECTION IF THE COMMUNITY DEVELOPMENT
12 CORPORATION OR DEVELOPER PURCHASES THE DWELLING TO BE USED AS
13 RESIDENTIAL RENTAL PROPERTY.

14 (6) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL
15 PROVIDE FOR PROCEDURES NECESSARY AND APPROPRIATE FOR THE SUBMISSION
16 OF AN APPLICATION FOR AND THE GRANTING OF A PROPERTY TAX CREDIT UNDER
17 THIS SUBSECTION.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~June~~
19 October 1, 2016, and shall be applicable to all taxable years beginning after June 30, ~~2016~~
20 2017.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.