

# HOUSE BILL 1323

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By: **Delegates Long, Grammer, Malone, McComas, and W. Miller**

Introduced and read first time: February 10, 2017

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax – Credit for Revitalization Districts**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the  
4 governing body of a county or municipal corporation to grant, by law, a property tax  
5 credit against the county or municipal corporation property tax imposed on a  
6 dwelling that is located in a certain revitalization district and is owned by a  
7 homeowner who, on or after a certain date, made certain substantial improvements  
8 to the dwelling that cause the dwelling to be reassessed at a higher value; requiring  
9 the credit to equal the amount of the county or municipal corporation property tax  
10 attributable to the improvements made to the property multiplied by a certain  
11 percentage; providing that if ownership of a dwelling is transferred the grantee is  
12 eligible to claim the property tax credit in the same manner as the grantor under  
13 certain circumstances; requiring the Mayor and City Council of Baltimore City or  
14 the governing body of a county or municipal corporation to define revitalization  
15 districts for purposes of the tax credit; authorizing the Mayor and City Council of  
16 Baltimore City or the governing body of a county or municipal corporation to provide  
17 for certain matters relating to the tax credit; providing for the application of this Act;  
18 defining certain terms; and generally relating to a property tax credit for dwellings  
19 located in revitalization districts that have undergone substantial improvements.

20 BY adding to

21 Article – Tax – Property

22 Section 9–259

23 Annotated Code of Maryland

24 (2012 Replacement Volume and 2016 Supplement)

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

27 **Article – Tax – Property**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **9-259.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 (2) "DWELLING" HAS THE MEANING STATED IN § 9-105 OF THIS  
5 TITLE.

6 (3) "HOMEOWNER" HAS THE MEANING STATED IN § 9-105 OF THIS  
7 TITLE.

8 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
9 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW,  
10 A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION  
11 PROPERTY TAX IMPOSED ON A DWELLING THAT IS:

12 (1) LOCATED IN A REVITALIZATION DISTRICT;

13 (2) OWNED BY A HOMEOWNER WHO, ON OR AFTER JUNE 1, 2017,  
14 MADE SUBSTANTIAL IMPROVEMENTS TO THE DWELLING IN COMPLIANCE WITH THE  
15 CODE AND LAWS APPLIED TO DWELLINGS; AND

16 (3) REASSESSED AT A HIGHER VALUE.

17 (C) THE TAX CREDIT UNDER THIS SECTION SHALL EQUAL THE AMOUNT OF  
18 COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON THE INCREASED  
19 VALUE OF THE DWELLING SINCE THE LAST REASSESSMENT THAT IS ATTRIBUTABLE  
20 TO THE IMPROVEMENTS MADE TO THE PROPERTY, MULTIPLIED BY:

21 (1) 100% FOR THE FIRST TAXABLE YEAR FOLLOWING THE FIRST  
22 REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

23 (2) 80% FOR THE SECOND TAXABLE YEAR FOLLOWING THE FIRST  
24 REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

25 (3) 60% FOR THE THIRD TAXABLE YEAR FOLLOWING THE FIRST  
26 REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

27 (4) 40% FOR THE FOURTH TAXABLE YEAR FOLLOWING THE FIRST  
28 REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

29 (5) 20% FOR THE FIFTH TAXABLE YEAR FOLLOWING THE FIRST  
30 REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE; AND

1           **(6) 0% FOR EACH TAXABLE YEAR THEREAFTER.**

2           **(D) IF OWNERSHIP OF A DWELLING THAT IS ELIGIBLE FOR A TAX CREDIT**  
3 **UNDER THIS SECTION IS TRANSFERRED, THE GRANTEE IS ELIGIBLE FOR THE**  
4 **BALANCE OF THE PROPERTY TAX CREDIT UNDER THIS SECTION IN THE SAME**  
5 **MANNER AND UNDER THE SAME CONDITIONS AS THE GRANTOR OF THE PROPERTY.**

6           **(E) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**  
7 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION SHALL DEFINE, BY**  
8 **LAW, REVITALIZATION DISTRICTS FOR PURPOSES OF THE TAX CREDIT UNDER THIS**  
9 **SECTION.**

10           **(F) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**  
11 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE, BY**  
12 **LAW, FOR:**

13                   **(1) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER**  
14 **THIS SECTION;**

15                   **(2) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND**  
16 **UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND**

17                   **(3) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX**  
18 **CREDIT.**

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