

SENATE BILL 526

Q2

7lr3385
CF HB 640

By: **Senators Ferguson, Conway, McFadden, Nathan-Pulliam, and Robinson**

Introduced and read first time: February 1, 2017

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 22, 2017

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Property Tax Credit – Rental Discount for Baltimore City**
3 **~~Police~~ Public Safety Officers**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City to grant, by
5 law, a certain property tax credit against the property tax imposed on certain
6 ~~apartment buildings~~ rental dwellings in Baltimore City; establishing that certain
7 landlords that provide certain rental discounts to certain ~~police~~ public safety officers
8 may be eligible for the tax credit; ~~establishing the amount of the tax credit;~~ providing
9 that certain landlords who receive a credit under this Act are ineligible to receive
10 certain other credits against the county property tax under certain circumstances;
11 authorizing the Mayor and City Council of Baltimore City to establish, by law, the
12 amount and duration of the credit and certain other provisions relating to the tax
13 credit; providing for the application of this Act; providing for the termination of this
14 Act; defining certain terms; and generally relating to a property tax credit in
15 Baltimore City for rental discounts provided to ~~police~~ public safety officers in
16 Baltimore City.

17 BY adding to

18 Article – Tax – Property

19 Section 9–304(k)

20 Annotated Code of Maryland

21 (2012 Replacement Volume and 2016 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

23 That the Laws of Maryland read as follows:

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.



1 Article – Tax – Property

2 9–304.

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

5 ~~(H) “APARTMENT BUILDING” MEANS A MULTI-UNIT~~
6 ~~RESIDENTIAL BUILDING LOCATED IN BALTIMORE CITY THAT CONTAINS 10 OR MORE~~
7 ~~DWELLING UNITS.~~

8 (II) “PUBLIC SAFETY OFFICER” MEANS A FIREFIGHTER, AN
9 EMERGENCY MEDICAL TECHNICIAN, OR A LAW ENFORCEMENT OFFICER WHO IS A
10 SWORN MEMBER OF AND EMPLOYED FULL TIME BY:

- 11 1. THE BALTIMORE CITY FIRE DEPARTMENT;
12 2. THE BALTIMORE CITY POLICE DEPARTMENT; OR
13 3. THE BALTIMORE CITY SHERIFF’S OFFICE.

14 (III) “QUALIFIED LANDLORD” MEANS A LANDLORD THAT:

- 15 1. OWNS ~~AN APARTMENT BUILDING~~ A RENTAL
16 DWELLING; AND
17 2. LEASES A DWELLING UNIT IN THE ~~APARTMENT~~
18 ~~BUILDING~~ RENTAL DWELLING TO A QUALIFIED TENANT.

19 (IV) “QUALIFIED TENANT” MEANS AN INDIVIDUAL LESSEE WHO:

- 20 1. RESIDES IN ~~AN APARTMENT BUILDING~~ A RENTAL
21 DWELLING OWNED BY A QUALIFIED LANDLORD; AND
22 2. IS ~~EMPLOYED BY THE BALTIMORE POLICE~~
23 ~~DEPARTMENT AS A POLICE OFFICER~~ A PUBLIC SAFETY OFFICER.

24 (V) “RENTAL DWELLING” MEANS RESIDENTIAL REAL
25 PROPERTY THAT IS LOCATED IN BALTIMORE CITY AND HELD BY THE OWNER
26 PRIMARILY FOR RENTAL, INVESTMENT, OR THE GENERATION OF INCOME.

27 (2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY
28 GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE

1 COUNTY PROPERTY TAX IMPOSED ON ~~AN APARTMENT BUILDING~~ A RENTAL
2 DWELLING THAT IS OWNED BY A QUALIFIED LANDLORD IF:

3 (I) THE QUALIFIED LANDLORD PROVIDES A RENTAL DISCOUNT
4 TO A QUALIFIED TENANT FOR A DWELLING UNIT IN THE ~~APARTMENT BUILDING~~
5 RENTAL DWELLING; AND

6 (II) THE RENT AMOUNT BEFORE THE DISCOUNT IS
7 COMPARABLE TO:

8 ~~1. THE RENT AMOUNT FOR AN EQUIVALENT DWELLING~~
9 ~~UNIT IN THE APARTMENT BUILDING; OR~~

10 ~~2.~~ THE FAIR MARKET RENTAL VALUE OF THE DWELLING
11 UNIT.

12 ~~(3) A PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION~~
13 ~~FOR A TAXABLE YEAR SHALL EQUAL 100% OF THE TOTAL DOLLAR VALUE OF THE~~
14 ~~DISCOUNTS APPLIED TO THE RENT OF A QUALIFIED TENANT DURING THE TAXABLE~~
15 ~~YEAR.~~

16 (3) FOR A TAXABLE YEAR IN WHICH A QUALIFIED LANDLORD
17 RECEIVES A TAX CREDIT UNDER THIS SUBSECTION, THE QUALIFIED LANDLORD IS
18 INELIGIBLE FOR ANY OTHER CREDIT AGAINST THE COUNTY PROPERTY TAX
19 IMPOSED ON THE RENTAL DWELLING FOR THAT TAXABLE YEAR.

20 (4) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY
21 ESTABLISH, BY LAW:

22 (I) THE AMOUNT AND DURATION OF THE TAX CREDIT
23 AUTHORIZED UNDER THIS SUBSECTION;

24 (II) ADDITIONAL REQUIREMENTS FOR OR LIMITATIONS ON
25 ELIGIBILITY FOR THE CREDIT; AND

26 (III) ANY OTHER PROVISIONS NECESSARY TO IMPLEMENT THE
27 CREDIT.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
29 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017, but
30 before July 1, 2020. It shall remain effective for a period of 3 years and 1 month and, at the
31 end of June 30, 2020, with no further action required by the General Assembly, this Act
32 shall be abrogated and of no further force and effect.