

# HOUSE BILL 539

Q3

2lr1572

---

By: **Delegate Carr**

Introduced and read first time: January 21, 2022

Assigned to: Ways and Means

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Historic Revitalization Tax Credit – Alterations – Qualified Rehabilitation**  
3 **Expenditures for Single-Family, Owner-Occupied Residences**

4 FOR the purpose of altering the maximum tax credit amount that individuals may claim  
5 under the historic revitalization tax credit program for certain expenditures for the  
6 rehabilitation of certain single-family, owner-occupied residences; and generally  
7 relating to the historic revitalization tax credit program.

8 BY repealing and reenacting, without amendments,

9 Article – State Finance and Procurement

10 Section 5A-303(a)(1), (7), (8), and (28) through (30) and (c)(2)

11 Annotated Code of Maryland

12 (2021 Replacement Volume)

13 BY repealing and reenacting, with amendments,

14 Article – State Finance and Procurement

15 Section 5A-303(c)(1)

16 Annotated Code of Maryland

17 (2021 Replacement Volume)

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

19 That the Laws of Maryland read as follows:

20 **Article – State Finance and Procurement**

21 5A-303.

22 (a) (1) In this section the following words have the meanings indicated.

23 (7) “Certified rehabilitation” means a completed rehabilitation of a  
24 certified historic structure that the Director certifies is a substantial rehabilitation in

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 conformance with the rehabilitation standards of the United States Secretary of the  
2 Interior.

3 (8) (i) “Commercial rehabilitation” means a rehabilitation of a  
4 structure other than a single-family, owner-occupied residence.

5 (ii) “Commercial rehabilitation” does not include a small commercial  
6 project.

7 (28) “Qualified rehabilitation expenditure” means any amount that:

8 (i) is properly chargeable to a capital account;

9 (ii) is expended in the rehabilitation of a structure that by the end of  
10 the calendar year in which the certified rehabilitation is completed is a certified historic  
11 structure;

12 (iii) is expended in compliance with a plan of proposed rehabilitation  
13 that has been approved by the Director; and

14 (iv) is not funded, financed, or otherwise reimbursed by any:

15 1. State or local grant;

16 2. grant made from the proceeds of tax-exempt bonds issued  
17 by the State, a political subdivision of the State, or an instrumentality of the State or of a  
18 political subdivision of the State;

19 3. State tax credit other than the tax credit under this  
20 section; or

21 4. other financial assistance from the State or a political  
22 subdivision of the State, other than a loan that must be repaid at an interest rate that is  
23 greater than the interest rate on general obligation bonds issued by the State at the most  
24 recent bond sale prior to the time the loan is made.

25 (29) (i) “Single-family, owner-occupied residence” means a structure or  
26 a portion of a structure occupied by the owner and the owner’s immediate family as their  
27 primary or secondary residence.

28 (ii) “Single-family, owner-occupied residence” includes:

29 1. a residential unit in a cooperative project owned by or  
30 leased to a cooperative housing corporation and leased for exclusive occupancy to, and  
31 occupied by, a member of the corporation and the member’s immediate family under a  
32 proprietary lease;



