

HOUSE BILL 1232

Q1

6lr3403
CF SB 756

By: **Delegate Edelson (By Request – Baltimore City Administration) and Delegates
Amprey, Boyce, Embry, Lewis, and Stinnett**

Introduced and read first time: February 11, 2026

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Economic Development Project in Downtown RISE District –**
3 **Payment in Lieu of Taxes**

4 FOR the purpose of exempting an economic development project located in a certain area
5 of downtown Baltimore City from Baltimore City property taxes if the owner of the
6 economic development project and the Baltimore City Board of Estimates enter into
7 a payment in lieu of taxes agreement and certain other requirements are met; and
8 generally relating to a payment in lieu of taxes agreement for an economic
9 development project in downtown Baltimore City.

10 BY adding to
11 Article – Tax – Property
12 Section 7–504.5
13 Annotated Code of Maryland
14 (2019 Replacement Volume and 2025 Supplement)

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

17 **Article – Tax – Property**

18 **7–504.5.**

19 **(A) IN THIS SECTION, “ECONOMIC DEVELOPMENT PROJECT” MEANS A REAL**
20 **ESTATE DEVELOPMENT PROJECT THAT CONSISTS OF NEWLY CONSTRUCTED OR**
21 **REHABILITATED COMMERCIAL OR MULTIFAMILY RESIDENTIAL PROPERTY IF THE**
22 **REAL ESTATE DEVELOPMENT PROJECT:**

23 **(1) EXISTS WITHIN THE DOWNTOWN RISE DISTRICT AS DESCRIBED**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 IN SUBSECTION (B) OF THIS SECTION; AND

2 (2) INCLUDES AT LEAST ONE OF THE FOLLOWING:

3 (I) A HOTEL;

4 (II) AN OFFICE BUILDING;

5 (III) A RETAIL FACILITY;

6 (IV) A MULTIFAMILY RESIDENTIAL FACILITY; OR

7 (V) A MIXED-USE FACILITY THAT CONTAINS ONE OR MORE OF
8 THE FACILITIES DESCRIBED IN ITEMS (I) THROUGH (IV) OF THIS ITEM.

9 (B) THE DOWNTOWN RISE DISTRICT CONSISTS OF:

10 (1) WARD 4, PRECINCT 1;

11 (2) WARD 4, PRECINCT 2;

12 (3) WARD 4, PRECINCT 3;

13 (4) WARD 22, PRECINCT 1;

14 (5) WARD 22, PRECINCT 2; AND

15 (6) WARD 21, PRECINCT 5.

16 (C) AN ECONOMIC DEVELOPMENT PROJECT IS EXEMPT OR PARTIALLY
17 EXEMPT FROM BALTIMORE CITY REAL PROPERTY TAX IF:

18 (1) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT
19 DEMONSTRATES TO THE SATISFACTION OF THE BALTIMORE CITY BOARD OF
20 ESTIMATES THAT THE CITY OF BALTIMORE OR ITS DESIGNATED AGENCY HAS
21 CONDUCTED AN ECONOMIC ANALYSIS OF THE PROJECT, INCLUDING AN
22 ASSESSMENT OF THE FINANCIAL NECESSITY FOR AN EXEMPTION AS AUTHORIZED
23 UNDER THIS SECTION; AND

24 (2) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT AND THE
25 BALTIMORE CITY BOARD OF ESTIMATES ENTER INTO A PAYMENT IN LIEU OF TAXES
26 AGREEMENT SPECIFYING THE AMOUNT THAT THE OWNER SHALL PAY TO
27 BALTIMORE CITY EACH YEAR IN LIEU OF BALTIMORE CITY PROPERTY TAXES

1 DURING THE TERM OF THE AGREEMENT.

2 (D) TO BE ELIGIBLE FOR A PAYMENT IN LIEU OF TAXES AGREEMENT UNDER
3 THIS SECTION, THE OWNER OF AN ECONOMIC DEVELOPMENT PROJECT SHALL, ON
4 OR BEFORE JUNE 30, 2036:

5 (1) APPLY TO ENTER INTO A PAYMENT IN LIEU OF TAXES AGREEMENT;

6 (2) HAVE BUILDING PERMITS ISSUED; AND

7 (3) HAVE SATISFIED OR WAIVED ALL CONDITIONS FOR THE
8 FINANCING REQUIRED FOR THE CONSTRUCTION OF THE PROJECT.

9 (E) ON OR BEFORE JANUARY 1 EACH YEAR, THE CITY OF BALTIMORE OR
10 ITS DESIGNATED AGENCY SHALL REPORT TO THE PRESIDENT OF THE CITY COUNCIL
11 OF BALTIMORE AND, SUBJECT TO § 2-1257 OF THE STATE GOVERNMENT ARTICLE,
12 THE GENERAL ASSEMBLY:

13 (1) A DESCRIPTION OF EACH ECONOMIC DEVELOPMENT PROJECT
14 FOR WHICH THE CITY OF BALTIMORE ENTERED INTO A PAYMENT IN LIEU OF TAXES
15 AGREEMENT UNDER THIS SECTION DURING THE PRECEDING FISCAL YEAR,
16 INCLUDING A STATEMENT OF THE ANALYSIS OF THE PROJECT DESCRIBED IN
17 SUBSECTION (C)(1) OF THIS SECTION; AND

18 (2) FOR THOSE ECONOMIC DEVELOPMENT PROJECTS THAT HAVE A
19 PAYMENT IN LIEU OF TAXES AGREEMENT UNDER THIS SECTION, AND FOR WHICH
20 CONSTRUCTION OR REHABILITATION HAS BEEN COMPLETED:

21 (I) THE NUMBER AND TYPES OF JOBS CREATED DURING THE
22 PRECEDING FISCAL YEAR AND ESTIMATED TO BE CREATED DURING THE FOLLOWING
23 FISCAL YEAR;

24 (II) THE TOTAL TAXES THAT THE PROJECT IS ESTIMATED TO
25 HAVE GENERATED, DIRECTLY AND INDIRECTLY, FOR THE CITY OF BALTIMORE
26 DURING THE PRECEDING FISCAL YEAR AND ESTIMATED TO BE GENERATED DURING
27 THE FOLLOWING FISCAL YEAR; AND

28 (III) ANY OTHER ECONOMIC BENEFITS OF THE PROJECT.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2026.