

# HOUSE BILL 1232

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6lr3403  
CF SB 756

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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

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Committee Report: Favorable

House action: Adopted

Read second time: March 6, 2026

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## CHAPTER \_\_\_\_\_

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**

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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 ESTATE DEVELOPMENT PROJECT THAT CONSISTS OF NEWLY CONSTRUCTED OR  
2 REHABILITATED COMMERCIAL OR MULTIFAMILY RESIDENTIAL PROPERTY IF THE  
3 REAL ESTATE DEVELOPMENT PROJECT:

4 (1) EXISTS WITHIN THE DOWNTOWN RISE DISTRICT AS DESCRIBED  
5 IN SUBSECTION (B) OF THIS SECTION; AND

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

7 (I) A HOTEL;

8 (II) AN OFFICE BUILDING;

9 (III) A RETAIL FACILITY;

10 (IV) A MULTIFAMILY RESIDENTIAL FACILITY; OR

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

13 (B) THE DOWNTOWN RISE DISTRICT CONSISTS OF:

14 (1) WARD 4, PRECINCT 1;

15 (2) WARD 4, PRECINCT 2;

16 (3) WARD 4, PRECINCT 3;

17 (4) WARD 22, PRECINCT 1;

18 (5) WARD 22, PRECINCT 2; AND

19 (6) WARD 21, PRECINCT 5.

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

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

1           **(2) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT AND THE**  
2 **BALTIMORE CITY BOARD OF ESTIMATES ENTER INTO A PAYMENT IN LIEU OF TAXES**  
3 **AGREEMENT SPECIFYING THE AMOUNT THAT THE OWNER SHALL PAY TO**  
4 **BALTIMORE CITY EACH YEAR IN LIEU OF BALTIMORE CITY PROPERTY TAXES**  
5 **DURING THE TERM OF THE AGREEMENT.**

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

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

10           **(2) HAVE BUILDING PERMITS ISSUED; AND**

11           **(3) HAVE SATISFIED OR WAIVED ALL CONDITIONS FOR THE**  
12 **FINANCING REQUIRED FOR THE CONSTRUCTION OF THE PROJECT.**

13           **(E) ON OR BEFORE JANUARY 1 EACH YEAR, THE CITY OF BALTIMORE OR**  
14 **ITS DESIGNATED AGENCY SHALL REPORT TO THE PRESIDENT OF THE CITY COUNCIL**  
15 **OF BALTIMORE AND, SUBJECT TO § 2-1257 OF THE STATE GOVERNMENT ARTICLE,**  
16 **THE GENERAL ASSEMBLY:**

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

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

25           **(I) THE NUMBER AND TYPES OF JOBS CREATED DURING THE**  
26 **PRECEDING FISCAL YEAR AND ESTIMATED TO BE CREATED DURING THE FOLLOWING**  
27 **FISCAL YEAR;**

28           **(II) THE TOTAL TAXES THAT THE PROJECT IS ESTIMATED TO**  
29 **HAVE GENERATED, DIRECTLY AND INDIRECTLY, FOR THE CITY OF BALTIMORE**  
30 **DURING THE PRECEDING FISCAL YEAR AND ESTIMATED TO BE GENERATED DURING**  
31 **THE FOLLOWING FISCAL YEAR; AND**

32           **(III) ANY OTHER ECONOMIC BENEFITS OF THE PROJECT.**

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.