



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

HB 740 – Frederick County – Property Tax Credit for Property Located in Historic District - Alterations

DATE: February 20, 2024
COMMITTEE: House Ways and Means Committee
POSITION: Favorable
FROM: The Office of Frederick County Executive Jessica Fitzwater

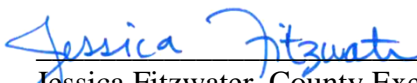
As the County Executive of Frederick County, I urge the committee to give HB 740 – Frederick County – Property Tax Credit for Property Located in Historic District - Alterations a favorable report.

Frederick County is home to many historic sites and buildings. In fact, 92 of 1,559 total National Register sites in Maryland are located within Frederick County. Two of Maryland's National Historic Landmarks (Schifferstadt and Monocacy Battlefield) are within Frederick County. The preservation of our historic buildings and landmarks is essential to the rich culture and history of Frederick County. Unfortunately, historic preservation projects are often cost-prohibitive due to the high cost of quality materials and skilled labor.

Currently, State law allows for the County to provide residents with a historic preservation tax credit if the maintenance or repair triggers a change in the assessment value. However, this tax credit is severely underutilized due to this requirement. Within Frederick County, this tax credit has only been awarded 17 times since its creation, with its last use being in 2009. Considering the large amount of historic properties within the County, these numbers tell us that this tax credit is not working for our residents.

HB 740 removes this tax credit from state code and reaffirms the County's authority to establish a tax credit through County legislation. This is the first step in reforming this historic preservation program with the goal of making it more accessible and useful to our residents. If this code were to be removed, I would then introduce legislation to the County Council to establish a historic preservation tax credit that is based on Qualified Rehabilitation Expense (QREs). This reformed tax credit would apply to more projects, including projects that are important to preserving the structural integrity of historic properties, such as roof replacements.

Thank you for your consideration of HB 740. To enable Frederick County to update our historic preservation tax credit with the goal of assisting more property owners in maintaining and repairing unique historic properties, I urge you to advance this bill with a favorable report.



Jessica Fitzwater, County Executive
Frederick County, MD