

HOUSE BILL 923

Q2

2lr2494

By: **Delegates Lafferty, Beidle, Bromwell, Clippinger, Cluster, Holmes,
Morhaim, Niemann, and Summers**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Credit – Neighborhood Conservation Act of 2012**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the
4 governing body of a county or municipal corporation to grant, by law, a property
5 tax credit against the county or municipal corporation property tax imposed on
6 certain owner–occupied, residential real property in certain designated areas;
7 providing for eligibility criteria for the credit; specifying the years in which
8 properties must be purchased to be eligible for the credit; requiring the
9 governing body to designate certain geographic areas as neighborhood
10 conservation areas for purposes of the credit; requiring the disclosure of certain
11 annual information to individuals who qualify for the property tax credit;
12 requiring a county or municipal corporation to provide certain reports to the
13 General Assembly on or before certain dates; providing for the application of this
14 Act; and generally relating to property tax credits for certain owner–occupied,
15 residential real property in certain designated areas.

16 BY adding to

17 Article – Tax – Property

18 Section 9–255

19 Annotated Code of Maryland

20 (2007 Replacement Volume and 2011 Supplement)

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

23 **Article – Tax – Property**

24 **9–255.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
2 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY**
3 **LAW, A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY OR**
4 **MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON OWNER–OCCUPIED,**
5 **RESIDENTIAL REAL PROPERTY THAT IS PURCHASED FROM JULY 1, 2012,**
6 **THROUGH JUNE 30, 2018, AND IS LOCATED IN AN AREA DESIGNATED BY THE**
7 **GOVERNING BODY AS A NEIGHBORHOOD CONSERVATION AREA.**

8 **(B) IN ORDER TO QUALIFY FOR THE CREDIT UNDER THIS SECTION:**

9 **(1) FOR THE 12–MONTH PERIOD IMMEDIATELY PRIOR TO**
10 **PURCHASING THE PROPERTY, THE INDIVIDUAL’S PRINCIPAL RESIDENCE MAY**
11 **NOT HAVE BEEN LOCATED IN A NEIGHBORHOOD CONSERVATION AREA**
12 **DESIGNATED UNDER THIS SECTION UNLESS THE INDIVIDUAL WAS NOT AN**
13 **OWNER OF THE PROPERTY THAT WAS THE INDIVIDUAL’S PRINCIPAL RESIDENCE;**
14 **AND**

15 **(2) THE RESIDENTIAL REAL PROPERTY MUST HAVE BEEN**
16 **PURCHASED IN CONFORMANCE WITH THE ELIGIBILITY REQUIREMENTS FOR THE**
17 **CREDIT UNDER THIS SECTION AS ESTABLISHED BY THE MAYOR AND CITY**
18 **COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF THE COUNTY OR**
19 **MUNICIPAL CORPORATION.**

20 **(C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
21 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE,**
22 **BY LAW, FOR:**

23 **(1) THE AMOUNT OF THE PROPERTY TAX CREDIT AUTHORIZED**
24 **UNDER THIS SECTION FOR EACH TAXABLE YEAR AFTER THE PURCHASE OF THE**
25 **RESIDENTIAL REAL PROPERTY;**

26 **(2) THE DESIGNATION OF CERTAIN GEOGRAPHIC AREAS AS**
27 **NEIGHBORHOOD CONSERVATION AREAS FOR PURPOSES OF THE TAX CREDIT**
28 **AUTHORIZED UNDER THIS SECTION;**

29 **(3) ANY ADDITIONAL LIMITATIONS ON ELIGIBILITY FOR THE**
30 **CREDIT UNDER THIS SECTION; AND**

31 **(4) ANY OTHER PROVISION NECESSARY TO IMPLEMENT THE**
32 **CREDIT UNDER THIS SECTION.**

33 **(D) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
34 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE,**

1 ON AN ANNUAL BASIS TO THOSE INDIVIDUALS QUALIFYING FOR THE PROPERTY
2 TAX CREDIT UNDER THIS SECTION, A STATEMENT CERTIFYING QUALIFICATION
3 FOR THE TAX CREDIT AND THE AMOUNT OF THE TAX CREDIT BEING GRANTED.

4 (2) THE STATEMENT MAY BE PROVIDED ON OR WITH THE
5 ANNUAL PROPERTY TAX BILL OR IN ANOTHER MANNER AS CHOSEN BY THE
6 LOCAL GOVERNMENT.

7 (E) ON OR BEFORE JANUARY 1, OF THE CALENDAR YEAR FOLLOWING
8 THE YEAR IN WHICH THE NEIGHBORHOOD CONSERVATION TAX CREDIT IS
9 INITIATED, AND EACH JANUARY 1 THEREAFTER, A COUNTY OR MUNICIPAL
10 CORPORATION THAT GRANTS A TAX CREDIT UNDER THIS SECTION SHALL
11 SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE
12 GOVERNMENT ARTICLE, TO THE SENATE BUDGET AND TAXATION COMMITTEE
13 AND THE HOUSE WAYS AND MEANS COMMITTEE THAT DESCRIBES:

14 (1) THE TAX CREDIT PROGRAM;

15 (2) THE DESIGNATED NEIGHBORHOOD CONSERVATION AREAS;

16 (3) THE NUMBER OF RESIDENTIAL PROPERTIES WITHIN
17 NEIGHBORHOOD CONSERVATION AREAS THAT QUALIFY FOR THE TAX CREDIT
18 UNDER THIS SECTION; AND

19 (4) THE ECONOMIC IMPACT OF THE TAX CREDITS GRANTED
20 UNDER THIS SECTION ON THE NEIGHBORHOOD CONSERVATION AREAS.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 June 1, 2012, and shall be applicable to all taxable years beginning after June 30,
23 2012.