

# HOUSE BILL 36

Q2

6lr0612

(PRE-FILED)

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By: **Delegate Haynes**

Requested: August 25, 2015

Introduced and read first time: January 13, 2016

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Rebuilding Baltimore City Communities Act of 2016**

3 FOR the purpose of requiring the Mayor and City Council of Baltimore City to grant, by  
4 law, a certain property tax credit against the property tax imposed on certain  
5 property located in certain communities in Baltimore City; establishing the amount  
6 and duration of the property tax credit; providing for the eligibility requirements of  
7 the property tax credit; requiring the Mayor and City Council of Baltimore City to  
8 provide certain procedures for granting the property tax credit; defining certain  
9 terms; providing for the application of this Act; and generally relating to a property  
10 tax credit in Baltimore City.

11 BY repealing and reenacting, without amendments,  
12 Article – Tax – Property  
13 Section 9–304(c)(1) and (d)(1)(i) and (ii)  
14 Annotated Code of Maryland  
15 (2012 Replacement Volume and 2015 Supplement)

16 BY adding to  
17 Article – Tax – Property  
18 Section 9–304(i)  
19 Annotated Code of Maryland  
20 (2012 Replacement Volume and 2015 Supplement)

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

23 **Article – Tax – Property**

24 9–304.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) (1) In this subsection, “vacant dwelling” means residential real property  
2 that:

3 (i) contains no more than four dwelling units; and

4 (ii) 1. has been cited as vacant and abandoned on a housing or  
5 building violation notice for 1 year; or

6 2. has been owned by the Mayor and City Council of  
7 Baltimore City for 1 year and is in need of substantial repair to comply with applicable city  
8 codes.

9 (d) (1) (i) In this subsection the following words have the meanings  
10 indicated.

11 (ii) 1. “Newly constructed dwelling” means residential real  
12 property that has not been previously occupied since its construction and for which the  
13 building permit for construction was issued on or after October 1, 1994.

14 2. “Newly constructed dwelling” includes a “vacant dwelling”  
15 as defined in subsection (c)(1) of this section that has been rehabilitated in compliance with  
16 applicable local laws and regulations and has not been previously occupied since the  
17 rehabilitation.

18 **(I) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE**  
19 **MEANINGS INDICATED.**

20 **(II) “NEWLY CONSTRUCTED DWELLING” HAS THE MEANING**  
21 **STATED IN SUBSECTION (D) OF THIS SECTION.**

22 **(III) “VACANT DWELLING” HAS THE MEANING STATED IN**  
23 **SUBSECTION (C) OF THIS SECTION.**

24 **(2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL**  
25 **GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE**  
26 **COUNTY PROPERTY TAX IMPOSED ON REAL PROPERTY THAT:**

27 **(I) IS LOCATED IN ANY COMMUNITY THAT THE BALTIMORE**  
28 **CITY HOUSING DEPARTMENT DETERMINES HAS A VACANT DWELLING RATE OF AT**  
29 **LEAST 35% FOR EACH OF THE PRIOR 3 YEARS; AND**

30 **(II) IS OWNED BY QUALIFYING OWNERS OF A VACANT OR NEWLY**  
31 **CONSTRUCTED DWELLING.**

1           **(3) A PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION**  
2 **SHALL BE:**

3                   **(I) 100% OF THE PROPERTY TAX IMPOSED FOR THE FIRST 10**  
4 **TAXABLE YEARS IN WHICH THE PROPERTY QUALIFIES FOR THE TAX CREDIT;**

5                   **(II) 88% FOR THE 11TH TAXABLE YEAR IN WHICH THE**  
6 **PROPERTY QUALIFIES FOR THE TAX CREDIT;**

7                   **(III) 76% FOR THE 12TH TAXABLE YEAR IN WHICH THE**  
8 **PROPERTY QUALIFIES FOR THE TAX CREDIT;**

9                   **(IV) 64% FOR THE 13TH TAXABLE YEAR IN WHICH THE**  
10 **PROPERTY QUALIFIES FOR THE TAX CREDIT;**

11                   **(V) 52% FOR THE 14TH TAXABLE YEAR IN WHICH THE**  
12 **PROPERTY QUALIFIES FOR THE TAX CREDIT;**

13                   **(VI) 40% FOR THE 15TH TAXABLE YEAR IN WHICH THE**  
14 **PROPERTY QUALIFIES FOR THE TAX CREDIT;**

15                   **(VII) 28% FOR THE 16TH TAXABLE YEAR IN WHICH THE**  
16 **PROPERTY QUALIFIES FOR THE TAX CREDIT;**

17                   **(VIII) 16% FOR THE 17TH TAXABLE YEAR IN WHICH THE**  
18 **PROPERTY QUALIFIES FOR THE TAX CREDIT; AND**

19                   **(IX) 0% FOR EACH TAXABLE YEAR THEREAFTER.**

20           **(4) OWNERS OF VACANT OR NEWLY CONSTRUCTED DWELLINGS MAY**  
21 **QUALIFY FOR THE TAX CREDIT UNDER THIS SUBSECTION BY:**

22                   **(I) 1. A. SUBSTANTIALLY REHABILITATING A VACANT**  
23 **DWELLING IN COMPLIANCE WITH THE CODE AND LAWS APPLIED TO DWELLINGS;**  
24 **AND**

25                               **B. OCCUPYING THE DWELLING AFTER REHABILITATION**  
26 **AS THEIR PRINCIPAL RESIDENCE; OR**

27                                       **2. A. PURCHASING A NEWLY CONSTRUCTED**  
28 **DWELLING; AND**

1                           **B. OCCUPYING THE NEWLY CONSTRUCTED DWELLING AS**  
2 **THEIR PRINCIPAL RESIDENCE; AND**

3                           **(II) FILING A STATE INCOME TAX RETURN DURING THE PERIOD**  
4 **OF THE TAX CREDIT AS A RESIDENT OF BALTIMORE CITY.**

5                           **(5) NOTWITHSTANDING PARAGRAPH (4) OF THIS SUBSECTION, A**  
6 **COMMUNITY DEVELOPMENT CORPORATION OR A DEVELOPER MAY QUALIFY FOR**  
7 **THE TAX CREDIT UNDER THIS SUBSECTION IF THE COMMUNITY DEVELOPMENT**  
8 **CORPORATION OR DEVELOPER PURCHASES THE DWELLING TO BE USED AS**  
9 **RESIDENTIAL RENTAL PROPERTY.**

10                           **(6) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL**  
11 **PROVIDE FOR PROCEDURES NECESSARY AND APPROPRIATE FOR THE SUBMISSION**  
12 **OF AN APPLICATION FOR AND THE GRANTING OF A PROPERTY TAX CREDIT UNDER**  
13 **THIS SUBSECTION.**

14                           **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June**  
15 **1, 2016, and shall be applicable to all taxable years beginning after June 30, 2016.**