

Property Tax Credit Disclosure for Baltimore City

Brownfield

Qualifications	<p>This property tax credit is granted based on the following requirements:</p> <ul style="list-style-type: none"> - The property must be designated by the Maryland Department of Business and Economic Development (DBED) as a "qualified Brownfields site" eligible for the Brownfields Revitalization Incentive program. - The Maryland Department of the Environment, must issue a letter indicating that no further cleanup will be required. This letter may be issued under the Maryland Voluntary Cleanup Program or under the Maryland Oil Control Program. - If the recipient received a certificate of completion under Maryland’s voluntary cleanup program, the recipient must maintain approval of a response action plan and a certificate of -completion under Section 7-512 and 7-513 of the Environment Article of the Annotated Code of Maryland. - The recipient must maintain all City taxes, water, sewer, and other charges and assessments due to the City on a current basis. <p>Brownfields Incentive Fund means the Brownfields Revitalization Incentive Fund established under Article 83A, § 3-904 of the Maryland Code. Brownfields Incentive Program means the Brownfields Revitalization Incentive Program established under Article 83A, Title 3, Subtitle 9 of the Maryland Code. Brownfields site means a qualified Brownfields site, as defined in Article 83A, § 3-901(d) of the Maryland Code. Increased property tax liability means the remaining property tax liability, after first applying all other property tax credits applicable to the site, attributable to the increase in the assessment of a Brownfields site, including improvements added to the site within the tax-credit period, over the assessment of the Brownfields site before its voluntary cleanup.</p>
Amount	<p>This credit applies in each of the taxable years immediately following the 1st revaluation of the Brownfields site after completion of a voluntary cleanup or corrective action plan, for a total of:</p> <ul style="list-style-type: none"> (1) 5 taxable years; or (2) if the site is in a designated State Enterprise Zone, 10 taxable years. <ul style="list-style-type: none"> - The amount of the tax credit is 50% of the Brownfields site’s increased property tax liability. - An additional credit of 20% of a Brownfields site’s increased property tax liability shall be granted if the aggregate cost of the site’s purchase and the voluntary cleanup or corrective action plan efforts equals or exceeds \$250,000. - The credit may be transferred to a purchaser of the property for the remaining term of the credit. <p>An application for this tax credit must be filed in the 1st taxable year in which the property qualifies.</p> <ul style="list-style-type: none"> (2) The application must be made on the form and contain the information that the Director of Finance specifies. (3) Before a credit may be granted, the applicant must provide satisfactory evidence of: <ul style="list-style-type: none"> (i) completion of a voluntary cleanup or corrective action plan approved by the State Department of the Environment; and (ii) for the additional 20% credit, the cost of the site’s purchase and of the voluntary cleanup or corrective action plan.
Term	Five Years and extended to 10 years if property is located in the Enterprise Zone
Contact	Baltimore Development Corporation (410) 837 9305

Cemetery Dwellings

Qualifications	<p>In accordance with the provisions of State Tax-Property Article § 9-202, there is hereby established a tax credit from Baltimore City real property taxes levied on any improvement:</p> <ul style="list-style-type: none"> (1) located on the site of cemetery property that is exempt under State Tax-Property Article § 7-201, (2) if the improvement is used as a dwelling by an employee of the owner of the exempt property.
Amount	<p>The credit is 100% of the improvement value of the property. The owner must file an application for this tax credit with the Director of Finance annually, on or before September 1 of the taxable year for which the credit is sought. (2) The application for the tax credit shall contain information that the Director of Finance considers necessary for determining the eligibility of the applicant.</p>
Term	Annual
Contact	Baltimore City- Department of Finance (Fiscal Integrity Office) (410) 396 8961

Property Tax Credit Disclosure for Baltimore City

Conservation Property

Qualifications	<p>Conservation property is defined as land that is:</p> <ul style="list-style-type: none"> (1) unimproved; (2) not used for commercial purposes; and (3) subject to a perpetual conservation easement that is: <ul style="list-style-type: none"> (i) donated to the Department of Natural Resources or the Maryland Environmental Trust and identifies the Department of Natural Resources or the Maryland Environmental Trust as a grantee under Title 3, Subtitle 2 of the Natural Resources Article; and (ii) accepted and approved by the Board of Public Works after June 30, 1986.
Amount	The property tax credit shall be granted against 100% of all property tax that otherwise would be due. The tax credit is effective for 15 consecutive tax years beginning July 1 following the donation of the easement.
Term	15 Years
Contact	Marie Smith, State Department of Assessment and Taxation (410) 767 8253

Enterprise Zone

Qualifications	<p>Real properties qualifying for this tax credit are those that are:</p> <ul style="list-style-type: none"> - Not used for residential purposes; - Used in a trade or business by a business entity that meets the requirements of § 5-707 of the Economic Development Article; and - Located in an enterprise zone that is designated under Title 5, Subtitle 7 of the Economic Development Article. - Qualified property includes personal property on real property that is located in a focus area as defined in § 5-701 of the Economic Development Article.
Amount	<p>Eligible assessment means the difference between the base year value and the actual value as determined by the Department of Assessment and Taxation for the applicable taxable year in which the tax credit is to be granted.</p> <p>For a business entity that is located on land or within improvements owned by the federal, State, county, or municipal government, "eligible assessment" means the difference between the base year value and the actual value reduced by the value of any property entitled to an exemption under Title 7 of this article as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.</p> <p>The amount of the tax credit equals the amount of property tax imposed on the eligible assessment of the qualified property, multiplied by the following:</p> <ul style="list-style-type: none"> - 80% in each of the 1st 5 taxable years following the calendar year in which the property initially becomes a qualified property; - 70% in the 6th taxable year; - 60% in the 7th taxable year; - 50% in the 8th taxable year; - 40% in the 9th taxable year; and - 30% in the 10th taxable year. <p>For qualified property located in a focus area, the tax credit is equal to 80% of the amount of property tax imposed on the eligible assessment of the qualified property for each of the 10 taxable years following the calendar year in which the property initially becomes a qualified property.</p>
Term	10 Years
Contact	Baltimore Development Corporation (410) 837 9305

Property Tax Credit Disclosure for Baltimore City

Fallen Heroes

Qualifications	<p>A real property tax credit is granted against the City property tax imposed on a dwelling if:</p> <ul style="list-style-type: none"> (1) the dwelling is owned by the surviving spouse of a fallen hero; (2) the dwelling is the surviving spouse’s legal residence; (3) the surviving spouse has not remarried; and (4) either: <ul style="list-style-type: none"> (i) the dwelling was owned by the fallen hero at the time of his or her death; (ii) the fallen hero or the surviving spouse was domiciled in the State at the time the fallen hero died and the dwelling was acquired by the surviving spouse within 2 years of the death; or (iii) the dwelling was acquired after the surviving spouse qualified for a credit under item (4) (i) or (ii) of this subsection for a former dwelling, to the extent of the previous credit.
Amount	100% of tax on dwelling
Term	The credit granted under this section continues from year to year, without further application by the surviving spouse.
Contact	Baltimore City Bureau of Revenue Collections Call Center (410) 396 3971

Historic Restorations and Rehabilitation

Qualifications	<p>Qualified properties for this tax credit must:</p> <ul style="list-style-type: none"> (1) have historic value; (2) have architectural value; or (3) Eligible improvements are located within the boundaries of: <ul style="list-style-type: none"> (A) a property listed individually on the National Register of Historic Places, or a National Register Historic or Landmark District; or (B) a property or district designated as an historic property or district under City law. <p>Additionally, the Commission for Historical and Architectural Preservation must determine improvements to be compatible with local historic preservation standards, and have been approved by the Commission prior to work beginning. For continuing eligibility, the property owner shall:</p> <ul style="list-style-type: none"> (1) maintain the major historic features of the property; (2) ensure that the property for which the credit was granted is in full compliance with the Building, Fire, and Related Codes of Baltimore City
Amount	<p>The Historic Tax Credit shall equal the difference between:</p> <ul style="list-style-type: none"> - The City real property tax on the Post Improvement full cash value and the City real property tax on the Base year full cash value. These values are determined in accordance with the requirements set forth in Section 7.3 of the Historic Restoration and Rehabilitations Rules and Regulations. - The credit shall be reduced by the amount of the Enterprise Zone Tax credit if any, for which the property is eligible under the Maryland Enterprise Zone Tax Credit Program. The credit will be for a period of 10 years for each property, which shall begin with the first tax bill after the final certification has been granted. - For development projects exceeding \$5 million in construction costs, the tax credit shall be limited to the following percentages: <ul style="list-style-type: none"> (i) in years 1 through 5 - 80% (ii) in year 6 - 70% (iii) in year 7 - 60% (iv) in year 8 - 50% (v) in year 9 - 40% (vi) in year 10 - 30%
Term	10 Years
Contact	Baltimore City- Commission for Historic and Architectural Preservation (410) 396-4866

Property Tax Credit Disclosure for Baltimore City

Home Improvements

Qualifications	<p>In accordance with the provisions of State Tax-Property Article § 9-304 (e) the home improvement tax credit is granted to residential real property that:</p> <ul style="list-style-type: none"> (i) is owned by a homeowner; (ii) has been substantially improved since the last reassessment; and (iii) is reassessed at a higher value. <ul style="list-style-type: none"> - To continue eligibility for this tax credit, the dwelling must remain in compliance with the local housing code. - If a dwelling owned by a person who has received this tax credit is found to be in violation of the local housing code, the property owner is not eligible for any further tax credit until the dwelling is determined again to be in compliance with the local housing code. - A dwelling that is again brought into compliance is eligible for a tax credit at the rate it would have been eligible before the violation of the local housing code. - If a dwelling that is eligible for this tax credit is transferred, the grantee is eligible for the balance of the property tax credits in the same manner and under the same conditions as the grantor of the property. - The property tax credit may not apply to the value of the improvements to the dwelling that exceed \$ 100,000. - To receive this tax credit, the homeowner shall have the burden of showing that the increase in assessment is due to the value of the improvements to the dwelling that were made since the last assessment of the dwelling.
Amount	<p>This property tax credit shall equal the amount of City's property tax imposed on the increased value of the dwelling that is due to the improvements made to the property, multiplied by:</p> <ul style="list-style-type: none"> (i) 100% for the 1st taxable year; (ii) 80% for the 2nd taxable year; (iii) 60% for the 3rd taxable year ; (iv) 40% for the 4th taxable year ; and (v) 20% for the 5th taxable year <p>The credit rate applies to each taxable year following the first reassessment after the improvements are made</p>
Term	5 Years
Contact	Baltimore City - Department of Finance (Fiscal Integrity) (410) 396 8961

Homeowners Tax Credit aka Circuit Breaker

Qualifications	<p>The credit is granted based on homeowner income and combined net worth. Eligibility is based on the following requirements:</p> <ul style="list-style-type: none"> (1) Combined net worth must be less than \$200,000. (2) Combined gross household income cannot exceeds \$ 60,000. (3) A homeowner may claim a property tax credit under this section for only 1 dwelling. (4) The dwelling must be used as a principal residence; however, certain exemptions apply for this requirement.
Amount	<p>The credit represents the total real property tax of a dwelling, less the percentage of the combined income of the homeowner that is described as follows:</p> <ul style="list-style-type: none"> (i) 0% of the 1st \$ 8,000 of combined income; (ii) 4% of the next \$ 4,000 of combined income; (iii) 6.5% of the next \$ 4,000 of combined income; and (iv) 9% of the combined income over \$ 16,000.
Term	Annual
Contact	State Department of Assessment and Taxation (410) 767-8250

Property Tax Credit Disclosure for Baltimore City

Homestead

Qualifications	Property must be owner occupied. Effective December 31, 2012, all homeowners on the deed must register the property with the State Department of Assessment and Taxation.
Amount	A City credit is granted for a tax amount that exceeds 104% of the previous year City tax. A State credit is granted for a tax amount that exceeds 110% of the previous year State tax.
Term	Indefinite as long as the dwelling is an owner occupied unit.
Contact	State Department of Assessment and Taxation (410) 767-8250

Newly Constructed

Qualifications	The owner of a newly constructed dwelling may qualify for the tax credit authorized by this section by: (1) purchasing a newly constructed dwelling; (2) occupying that dwelling as his or her principal residence; (3) filing an application for the credit either: (i) within 90 days after settling on the purchase of the dwelling; or (ii) within 90 days after the owner first receives an assessment on the building; (4) for each taxable year for which the credit is sought, filing a state income tax return as a resident of Baltimore City; and (5) satisfying all other conditions imposed by the regulations of the Director of Finance.
Amount	The property tax credit may not exceed the amount of property tax imposed on the real property, less the amount on any other credit applicable in that year, multiplied by: (1) 50% for the 1st taxable year in which the property qualifies for the tax credit; (2) 40% for the 2nd taxable year in which the property qualifies for the tax credit; (3) 30% for the 3rd taxable year in which the property qualifies for the tax credit; (4) 20% for the 4th taxable year in which the property qualifies for the tax credit; (5) 10% for the 5th taxable year in which the property qualifies for the tax credit; and (6) 0% for each taxable year thereafter.
Term	5 Years
Contact	Baltimore City Bureau of Revenue Collections Call Center (410) 396 3971

Targeted Homeowners

Qualifications	Must be eligible to receive the Homestead Tax Credit.
Amount	The credit is equal to the improved portion of the property assessment multiplied by a rate set annually by the Board of Estimates.
Term	Indefinite as long as homestead tax credit eligibility is verified.
Contact	Baltimore City Bureau of Revenue Collections Call Center (410) 396 3971

Property Tax Credit Disclosure for Baltimore City

Vacant Dwellings

Qualifications	<p>In accordance with the provisions of State Tax-Property Article § 9-304 (c) the vacant dwelling tax credit is granted to residential real property that:</p> <ul style="list-style-type: none"> (i) Contains no more than four dwelling units; and (ii) 1. has been cited as vacant and abandoned on a housing or building violation notice for 1 year; or 2. has been owned by the Mayor and City Council of Baltimore City for 1 year and is in need of substantial repair to comply with applicable city codes. <p>Owners of vacant dwellings may qualify for the tax credit by:</p> <ul style="list-style-type: none"> (i) substantially rehabilitating the vacant dwelling in compliance with the code and laws applied to dwellings; (ii) occupying the dwelling after rehabilitation as their principal residence; and (iii) satisfying other requirements as may be provided by the Mayor and City Council of Baltimore City.
Amount	<p>This property tax credit may not exceed the amount of county property tax imposed on the increased value of the residential real property that is due to the improvements made to the property immediately before the occupancy permit was issued, multiplied by:</p> <ul style="list-style-type: none"> (i) 100% for the first taxable year in which the property qualifies for the tax credit; (ii) 80% for the second taxable year in which the property qualifies for the tax credit; (iii) 60% for the third taxable year in which the property qualifies for the tax credit; (iv) 40% for the fourth taxable year in which the property qualifies for the tax credit; (v) 20% for the fifth taxable year in which the property qualifies for the tax credit; and (vi) 0% for each taxable year thereafter.
Term	5 Years
Contact	<p align="center">Baltimore City- Department of Finance (Fiscal Integrity Office) (410) 396 8961</p>

Public Safety Tax Credit

Qualifications	<p>In order to be eligible for this credit, the applicant must:</p> <ul style="list-style-type: none"> 1. Be a qualifying Public Safety Officer; as defined by Section 10-21 to mean a Sworn Law Enforcement Officer, Firefighter, or Emergency Medical Technician employed full time by: <ul style="list-style-type: none"> a. The Baltimore City Fire Department; b. The Baltimore City Police Department; or c. The Baltimore City Sheriff's Office. 2. Own a dwelling located in Baltimore City and use said dwelling as his or her principal residence; and 3. Be otherwise eligible in all respects for the tax credit authorized by the State Tax-Property Article, Section 9-105 ("Homestead Tax Credit").
Amount	The credit is the lesser amount of \$2,500 and the property tax imposed on the eligible real property for each taxable year that the property remains eligible.
Term	The credit can be renewed every taxable year provided that the eligibility requirements continue to be met AND the credit recipient submits the Annual Eligibility Verification (AEV) form prior to April 1st of the calendar year in which the renewal is sought.
Contact	Baltimore City Bureau of Revenue Collections Call Center (410) 396 3971

Property Tax Credit Disclosure for Baltimore City

High Performance Market Rate Rental Housing Tax Credit - Citywide

Qualifications	<p>In order to be eligible, properties must:</p> <ol style="list-style-type: none"> 1. be a newly constructed, converted, or wholly renovated building; 2. contain 20 or more residential rental units; 3. contain no units subject to governmental restrictions on the amount of rent charged or on the tenant's income level except those specifically required of that property by the Baltimore City Inclusionary Housing Program; 4. have construction or conversion costs exceeding \$60,000 per rental unit; 5. receive a first occupancy permit following the construction or conversion that is issued after January 1, 2014 and on or before June 30, 2024; and, 6. achieve a minimum of LEED Silver certification, the Baltimore City Green Building Code Standard Two Green Star rating, or any comparable alternative standard approved by the State of Maryland. 												
Amount	<p>This credit provides a credit against the tax imposed on the increased value of real property due to the improvement made immediately before the occupancy permit was issued. This credit begins at 80% of the tax imposed on that value in the first year of eligibility and decreases per the schedule below for a total of ten (10) years.</p> <p>The credit is limited to the following percentages of the amount computed:</p> <table border="0"> <tr> <td>Years 1 through 5</td> <td>- 80%</td> </tr> <tr> <td>Years 6</td> <td>- 70%</td> </tr> <tr> <td>Year 7</td> <td>- 60%</td> </tr> <tr> <td>Year 8</td> <td>- 50%</td> </tr> <tr> <td>Years 9</td> <td>- 40%</td> </tr> <tr> <td>Year 10</td> <td>- 30%</td> </tr> </table>	Years 1 through 5	- 80%	Years 6	- 70%	Year 7	- 60%	Year 8	- 50%	Years 9	- 40%	Year 10	- 30%
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Year 8	- 50%												
Years 9	- 40%												
Year 10	- 30%												
Term	10 Years												
Contact	Baltimore City Bureau of Revenue Collections Call Center (410) 396 3971												

***The information presented in this table is for informational purposes only. Other conditions may apply that are not specified herein. It is the responsibility of the person applying for the tax credit to be familiar with the law regarding those credits.**

Arts and Entertainment Districts Property Tax Credit

Qualifications	<p>This program is designed to encourage the renovation of buildings for use by artists or arts and entertainment enterprises by lessening the financial burden on property owners. Baltimore City currently has three Arts and Entertainment (A&E) Districts: (1) Station North; (2) Highlandtown; and (3) Bromo Seltzer. The program provides:</p> <ol style="list-style-type: none"> 1. A 10-year tax credit against the property tax imposed on a building located in a designated A& E District, wholly or partially renovated, and used by a qualified residing artist or A&E Enterprise; 2. The credit begins with the first reassessment after the completion of the qualifying improvements made to the property. <p>This tax credit cannot be applied to any property for which any other tax subsidy from the City is being received or has been applied for, other than a Maryland Enterprise Zone Tax Credit. The credit is prorated to reflect the proportion of the building used by a qualifying residing artist or an arts and entertainment enterprise. This property tax credit is transferable to a purchaser of the property for the remaining term of the credit, provided the property continues to meet the continuing eligibility requirements.</p>
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Amount	<p>The credit period begins after the first reassessment of the property by the State after the completion of qualifying renovations. Improvements Not within a State-Designated Enterprise Zone: The amount of the credit granted is the amount of property tax imposed on the eligible assessment related to the improvements on the property, multiplied by:</p> <ol style="list-style-type: none"> 1. 80% for the first 5 taxable years; 2. 70% for the 6th taxable year; 3. 60% for the 7th taxable year; 4. 50% for the 8th taxable year; 5. 40% for the 9th taxable year; 6. 30% for the 10th taxable year; and 7. 0% for each subsequent year. <p>Improvements within a State-Designated Enterprise Zone: The amount of the credit granted is the amount of property tax imposed on the eligible assessment related to the improvements on the property, multiplied by:</p> <ol style="list-style-type: none"> 1. 20% for the first 5 taxable years; 2. 30% for the 6th taxable year; 3. 40% for the 7th taxable year; 4. 50% for the 8th taxable year; 5. 60% for the 9th taxable year; 6. 70% for the 10th taxable year; and 7. 0% for each subsequent year.
Term	10 Years
Contact	Baltimore City- Department of Finance (Fiscal Integrity Office) (410) 396 8961