

BALTIMORE CITY DEPARTMENT OF FINANCE

Vacant Dwelling Property Tax Credit

Program Purpose and Description

This program was designed to encourage the renovation and reuse of residential vacant properties. It was the first of a series of tax credits enacted in the mid-1990s in response to concern about lagging development in the City during and after the recession of the early-1990s.

- The credit is a five-year tax credit on the increase in the taxable assessments due to the improvements;
- Credit begins at 100% of the increase in the first taxable year in which the property qualifies for the tax credit, and declines by 20% in the next four years.
- The credit is applied only to the increased value of the dwelling due to the improvements; and
- The application must be submitted annually on or before September 1st of the taxable year for which the credit is sought.

Eligibility

To be eligible, the property must:

1. be a residential with no more than 4 dwelling units;
2. either have been cited as vacant and abandoned on a housing or building violation notice for 1 year; or, have been owned by the Mayor and the City Council for 1 year and is in need of substantial repair to comply with applicable City codes;
3. have been substantially rehabilitated **by the owner**, bringing it into compliance with all codes and laws applying to the dwelling; and
4. be occupied by the owner as his or her principal residence after the rehabilitation.

Legal Reference

State enabling legislation – Annotated Code of Maryland, Tax Property Article, Section 9-304 (c) (Chapter 583, 1993 Session).

Baltimore City Code, Article 28-Taxes, Section 10-3 (Ordinance No. 93-234).

Contact

For more information about the Vacant Dwelling Property Tax Credit, please contact:

City of Baltimore
Department of Finance
Fiscal Integrity Office
410-396-8961
Tax.Credits@BaltimoreCity.gov

Application Procedures:

Step 1: Complete application and secure qualifying documents from the Department of Housing and Community Development. The necessary documents to be secured and included with the application from the Department of Housing and Community Development are:

- a. Vacant Housing Notice (for questions, please call the Department of Housing Code Enforcement Unit at 410-396-4170)
- b. Evidence of Appropriate Building Permits and Occupancy Permit (go to http://cels.baltimorehousing.org/Search_TM_MAP.aspx to print out a list of all building permits and occupancy permit issued for your particular property which can be used to fulfill the requirements for this tax credit).

Step 2: Owner must secure assessment information from the State Department of Assessments and Taxation (SDAT) substantiating 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. For additional information, please contact SDAT at the following:

Phone (410) 767-8250
Fax (410) 333-4626
E-mail: baltcity@dat.state.md.us

Step 3: Owner should submit the completed application electronically, with all supporting documentation, to the Fiscal Integrity Office at the following email address:
tax.credits@BaltimoreCity.gov

Step 4: The Fiscal Integrity Office will review the application and contact the owner if any additional information is required.

Step 5: **The owner shall file an application for this tax credit with The Fiscal Integrity Office annually**, on or before September 1st of the taxable year for which the credit is sought (Documents from Housing and Community Development and the State Department of Assessments and Taxation will not be required in subsequent applications for the same property).

City of Baltimore
Department of Finance
Fiscal Integrity Office
100 North Holliday Street
City Hall, Room 544
Baltimore, MD 21202
Tax.Credits@BaltimoreCity.gov

TAX CREDIT APPLICATION FOR REHABBED VACANT DWELLINGS

1. Property Street Address _____
2. Property Ref. No. (Ward/Section/Block/Lot) _____
3. Owner Information
Name: _____
Email Address: _____
Address: _____
City, State, Zip _____
Telephone Numbers: (H) _____ (W) _____
4. Tax year for which credit is being sought: _____
5. Is this property your principal residence? Yes No
6. Do you own any other property in Baltimore City? Yes No
7. If property is a multiple dwelling structure, please indicate number of dwelling units: _____
8. Date Purchased: _____
9. Assessed value at time of Purchase: _____ (Attach Assessment Notice)
10. Assessed value after rehabilitation: _____ (Attach Assessment Notice)

I declare under penalty of perjury, that this application, including any accompanying forms and statements, has been examined by me, and the information contained herein, to the best of my knowledge and belief, is true, correct, and complete; that I have a legal interest in this property, and that this dwelling will be my principal residence for the prescribed period.

Owner's Signature

Date

FOR OFFICIAL USE ONLY:

1. Assessment subject to credit: _____
2. Percent credit: 100% 80% 60% 40% 20% 0%
3. Net Assess. subject to credit: _____
4. Tax rate: _____
5. Credit amount: _____

Approved: _____

Date: _____

Department of Finance, Fiscal Integrity Office