

SENATE BILL 526

Q2

7lr3385
CF HB 640

By: **Senators Ferguson, Conway, McFadden, Nathan–Pulliam, and Robinson**

Introduced and read first time: February 1, 2017

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 22, 2017

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Property Tax Credit – Rental Discount for Baltimore City**
3 **~~Police~~ Public Safety Officers**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City to grant, by
5 law, a certain property tax credit against the property tax imposed on certain
6 ~~apartment buildings~~ rental dwellings in Baltimore City; establishing that certain
7 landlords that provide certain rental discounts to certain ~~police~~ public safety officers
8 may be eligible for the tax credit; ~~establishing the amount of the tax credit;~~ providing
9 that certain landlords who receive a credit under this Act are ineligible to receive
10 certain other credits against the county property tax under certain circumstances;
11 authorizing the Mayor and City Council of Baltimore City to establish, by law, the
12 amount and duration of the credit and certain other provisions relating to the tax
13 credit; providing for the application of this Act; providing for the termination of this
14 Act; defining certain terms; and generally relating to a property tax credit in
15 Baltimore City for rental discounts provided to ~~police~~ public safety officers in
16 Baltimore City.

17 BY adding to
18 Article – Tax – Property
19 Section 9–304(k)
20 Annotated Code of Maryland
21 (2012 Replacement Volume and 2016 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – Tax – Property

9–304.

(K) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

~~(H) “APARTMENT BUILDING” MEANS A MULTI-UNIT RESIDENTIAL BUILDING LOCATED IN BALTIMORE CITY THAT CONTAINS 10 OR MORE DWELLING UNITS.~~

(II) “PUBLIC SAFETY OFFICER” MEANS A FIREFIGHTER, AN EMERGENCY MEDICAL TECHNICIAN, OR A LAW ENFORCEMENT OFFICER WHO IS A SWORN MEMBER OF AND EMPLOYED FULL TIME BY:

1. THE BALTIMORE CITY FIRE DEPARTMENT;

2. THE BALTIMORE CITY POLICE DEPARTMENT; OR

3. THE BALTIMORE CITY SHERIFF’S OFFICE.

(III) “QUALIFIED LANDLORD” MEANS A LANDLORD THAT:

1. OWNS ~~AN APARTMENT BUILDING~~ A RENTAL DWELLING; AND

2. LEASES A DWELLING UNIT IN THE ~~APARTMENT BUILDING~~ RENTAL DWELLING TO A QUALIFIED TENANT.

(IV) “QUALIFIED TENANT” MEANS AN INDIVIDUAL LESSEE WHO:

1. RESIDES IN ~~AN APARTMENT BUILDING~~ A RENTAL DWELLING OWNED BY A QUALIFIED LANDLORD; AND

2. IS ~~EMPLOYED BY THE BALTIMORE POLICE DEPARTMENT AS A POLICE OFFICER~~ A PUBLIC SAFETY OFFICER.

(V) “RENTAL DWELLING” MEANS RESIDENTIAL REAL PROPERTY THAT IS LOCATED IN BALTIMORE CITY AND HELD BY THE OWNER PRIMARILY FOR RENTAL, INVESTMENT, OR THE GENERATION OF INCOME.

(2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE

COUNTY PROPERTY TAX IMPOSED ON ~~AN APARTMENT BUILDING~~ A RENTAL DWELLING THAT IS OWNED BY A QUALIFIED LANDLORD IF:

(I) THE QUALIFIED LANDLORD PROVIDES A RENTAL DISCOUNT TO A QUALIFIED TENANT FOR A DWELLING UNIT IN THE ~~APARTMENT BUILDING~~ RENTAL DWELLING; AND

(II) THE RENT AMOUNT BEFORE THE DISCOUNT IS COMPARABLE TO:

~~1. THE RENT AMOUNT FOR AN EQUIVALENT DWELLING UNIT IN THE APARTMENT BUILDING; OR~~

~~2. THE FAIR MARKET RENTAL VALUE OF THE DWELLING UNIT.~~

~~(3) A PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION FOR A TAXABLE YEAR SHALL EQUAL 100% OF THE TOTAL DOLLAR VALUE OF THE DISCOUNTS APPLIED TO THE RENT OF A QUALIFIED TENANT DURING THE TAXABLE YEAR.~~

(3) FOR A TAXABLE YEAR IN WHICH A QUALIFIED LANDLORD RECEIVES A TAX CREDIT UNDER THIS SUBSECTION, THE QUALIFIED LANDLORD IS INELIGIBLE FOR ANY OTHER CREDIT AGAINST THE COUNTY PROPERTY TAX IMPOSED ON THE RENTAL DWELLING FOR THAT TAXABLE YEAR.

(4) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY ESTABLISH, BY LAW:

(I) THE AMOUNT AND DURATION OF THE TAX CREDIT AUTHORIZED UNDER THIS SUBSECTION;

(II) ADDITIONAL REQUIREMENTS FOR OR LIMITATIONS ON ELIGIBILITY FOR THE CREDIT; AND

(III) ANY OTHER PROVISIONS NECESSARY TO IMPLEMENT THE CREDIT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017, but before July 1, 2020. It shall remain effective for a period of 3 years and 1 month and, at the end of June 30, 2020, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.