

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2013, Legislative Day 17

Bill No. 56-13

Mr. Tom Quirk, Chairman
By Request of County Executive

By the County Council, October 21, 2013

A BILL
ENTITLED

AN ACT concerning

Tax Credit for High Performance Buildings

FOR the purpose of expanding the application of certain tax credits for high performance buildings; making certain stylistic changes; and generally relating to the tax credit for high performance buildings.

By repealing and reenacting, with amendments

Section 11-2-203.1
Article 11. Taxation
Baltimore County Code, 2003

1 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE

2 COUNTY, MARYLAND, that the Laws of Baltimore County shall read as follows:

3 **Article 11. Taxation**

4 § 11-2-203.1.

5 (a) (1) In this section, the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter stricken from existing law.
~~Strike out~~ indicates matter stricken from bill.
Underlining indicates amendments to bill.

1 (2) “Commercial building” includes an income producing residentially-used
2 building that contains at least 50 units.

3 (3) “High performance building” means a commercial building that achieves
4 at least a Silver rating according [to the] TO:

5 (I) THE U.S. Green Building Council’s LEED (Leadership in Energy and
6 Environmental Design) Green Building rating [system] SYSTEM; OR

7 (II) THE ANSI (AMERICAN NATIONAL STANDARDS INSTITUTE)
8 NGBS (NATIONAL GREEN BUILDING STANDARD).

9 (4) (i) “LEED rating system” means the Leadership in Energy and
10 Environmental Design rating system as may be adopted and amended.

11 (ii) “LEED rating system” includes:

- 12 1. LEED-NC for new construction;
- 13 2. LEED-CS for core and shell; and
- 14 3. LEED-EB for existing buildings.

15 (b) In accordance with § 9-242 of the Tax-Property Article of the Annotated Code of
16 Maryland, the owner of a high performance building may receive a property tax credit against
17 county real property taxes assessed on a high performance building.

18 (c) (1) For a high performance building that is certified in the LEED rating
19 system for new construction, the amount of the tax credit is a percentage of the total county
20 property tax assessed on the high performance building as follows:

- 21 (i) LEED certified Silver 50%;
- 22 (ii) LEED certified Gold 60%; and
- 23 (iii) LEED certified Platinum 80%.

1 (2) The duration of the tax credit authorized under this subsection is five
2 consecutive years.

3 (d) (1) For a high performance building that is certified in the LEED rating
4 system for core and shell, the amount of the tax credit is a percentage of the total county property
5 tax assessed on the high performance building as follows:

- 6 (i) LEED certified Silver 40%;
- 7 (ii) LEED certified Gold 50%; and
- 8 (iii) LEED certified Platinum 70%.

9 (2) The duration of the tax credit authorized under this subsection is five
10 consecutive years.

11 (e) (1) For a high performance building that is certified in the LEED rating
12 system for existing buildings, the amount of the tax credit is a percentage of the total county
13 property tax assessed on the high performance building as follows:

- 14 (i) LEED certified Silver 10%;
- 15 (ii) LEED certified Gold 25%; and
- 16 (iii) LEED certified Platinum 50%.

17 (2) The duration of the tax credit authorized under this subsection is three
18 consecutive years.

19 (f)(1) FOR A HIGH PERFORMANCE BUILDING THAT IS CERTIFIED IN THE
20 NGBS RATING SYSTEM FOR NEW CONSTRUCTION, THE AMOUNT OF THE TAX
21 CREDIT IS A PERCENTAGE OF THE TOTAL COUNTY PROPERTY TAX ASSESSED ON
22 THE HIGH PERFORMANCE BUILDING AS FOLLOWS:

- 23 (I) NGBS CERTIFIED SILVER 50%;

1 (II) NGBS CERTIFIED GOLD 60%; AND

2 (II) NGBS CERTIFIED EMERALD 80%.

3 (2) THE DURATION OF THE TAX CREDIT AUTHORIZED UNDER THIS
4 SUBSECTION IS FIVE CONSECUTIVE YEARS.

5 (G) A property owner may not receive more than one tax credit under this section for
6 each high performance building.

7 [(g)] (H) A property tax credit granted under this section shall terminate if during
8 the credit period, the Director of Budget and Finance finds that the property has been altered so
9 that it no longer complies with the [LEED] APPLICABLE rating system, version, and level that
10 was the basis for granting the credit at the time the credit was granted.

11 [(h)] (I) A tax credit granted under this section runs with the property and a change
12 in ownership does not result in a lapse of the tax credit.

13 [(i)] (J) The total tax credits for the program may not exceed an aggregate amount of
14 \$5,000,000, subject to the County Council's annual review of the program amount.

15 [(j)] (K)(1) Except as provided in PARAGRAPH (2) OF THIS SUBSECTION, an
16 application for the tax credit shall be filed on or before June 1 immediately preceding the first
17 taxable year for which the tax credit is sought.

18 (2) If a tax credit is granted under § 11-2-202 OF THIS SUBTITLE, an
19 application for the tax credit authorized by this section may be filed any time.

20 [(k)] (L) An application for the tax credit shall be:

21 (1) Submitted to the Director of Budget and Finance on forms that the
22 Director requires;

1 (2) Accompanied by proof that the property meets the definition of a “high
2 performance building” and other requirements set forth in this section; and

3 (3) Under oath.

4 [(1)] (M)The Office of Budget and Finance shall:

5 (1) Review each application for a tax credit; and

6 (2) Grant or deny the application for a tax credit under this section.

7 [(m)] (N) A taxpayer whose application for a tax credit under this section is denied
8 or whose tax credit is terminated by action of the Director of Budget and Finance under
9 subsection [(g)] (H) of this section may appeal the denial or termination as provided in § 11-2-
10 204 of this subtitle.

11 [(n)] (O) The Director of Budget and Finance may adopt regulations in accordance
12 with Article 3, Title 7 of the Code to carry out the provisions of this section.

13 [(o)] (P) (1) If a tax credit is granted under § 11-2-202 OF THIS SUBTITLE and an
14 application is filed for a tax credit under this section, the standards for the grant or denial of the
15 credit are those in effect at the time the tax credit under § 11-2-202 OF THIS SUBTITLE was
16 granted.

17 (2) The tax credit shall be applied as provided in § 11-2-202(j) OF THIS
18 SUBTITLE.

19 SECTION 2. AND BE IT FURTHER ENACTED, that this Act, having passed by the
20 affirmative vote of five members of the County Council, shall take effect on December 1, 2013.