



CITY OF LAUREL, MARYLAND

ORDINANCE NO. 1990

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF LAUREL, MARYLAND TO ADD A NEW SECTION 16-12 ENTITLED "TAX CREDIT-RENTAL DWELLINGS PROVIDING REDUCED RENTS FOR ELDERLY OR DISABLED TENANTS" OF ARTICLE I ENTITLED "IN GENERAL" OF CHAPTER 16 ENTITLED "TAXATION" OF THE CODE OF THE CITY OF LAUREL TO PROVIDE FOR A TAX CREDIT FOR THE OWNERS OF APARTMENT BUILDINGS WITH LESS THAN TWENTY-FIVE UNITS THAT PROVIDE REDUCED RENTAL RATES TO ELDERLY OR DISABLED TENANTS AND TO PROVIDE AN EFFECTIVE DATE.

Sponsored by the Council President at the request of the Administration.

WHEREAS, the Mayor and City Council of Laurel, would like to encourage the availability of affordable rental housing, and

WHEREAS, Section 9-219 of the Tax Property Article of the Annotated Code of Maryland, authorizes the Mayor and City Council of a municipal corporation in the State to grant a real property tax credit against the municipal corporation property tax imposed on rental dwellings located in the municipal corporation that provide reduced rents for any tenant who is at least 65 years old or who has been found permanently and totally disabled, and

WHEREAS, the Mayor and City Council of Laurel wishes to create a reduced rent tax credit against City of Laurel property tax for eligible individuals in accordance with the parameters established by State law.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Mayor and City Council of Laurel that the Code of the City of Laurel, Chapter 16 "Taxation," Article I, Section 16-12 "Rental Dwellings Elderly and Disabled Tax Credit Program" shall be and hereby is enacted to read as follows:

Sec. 16-12. Rental Dwellings Providing Reduced Rents for Elderly and Disabled Tenants

In accordance with the provisions of Section 9-219 of the Tax-Property Article of the Annotated Code of Maryland, the City shall allow a property tax credit against City real property taxes imposed on a rental dwelling located within the corporate limits of the City of Laurel that is providing reduced rental rates for eligible tenants.



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Eligibility. A property owner of a rental dwelling of twenty-five (25) units or less is eligible to receive a real property tax credit if the property is in compliance with all applicable City Code standards and if the leaseholder of the rental unit:

- (1) is at least 65 years old;
- (2) has been found permanently and totally disabled and has qualified for benefits under:
 - (i) the Social Security Act;
 - (ii) the Railroad Retirement Act;
 - (iii) any federal act for members of the United States armed forces; or
 - (iv) any federal retirement system; or
- (3) has been found permanently and totally disabled by a County Health Officer.

(c) Amount and duration of credit. The credit allowed under this section is up to fifty percent (50%) of the calculated real property taxes per unit for the number of units provided to eligible tenants based on the amount of the reduction in rent; and will continue if the property owner recertifies the property and applicable units and eligible tenants each year through the City of Laurel Department of Budget and Personnel Services.

(d) A real property tax credit shall not be granted under this Section if the real property has otherwise been granted a tax credit or exemption under the Tax-Property Article, Annotated Code of Maryland or the City Code for the taxable year.

(e) Implementation of credit. Application for the tax credit established herein shall be made under oath on an application provided by the Director of the Department of Budget and Personnel Services. The application shall provide a legal description of the property, identify all State, County and City tax credits that currently apply to the property, including those tax credits for which the owner may be applying for concurrently with this application, the property owner's name, the reason for the tenants' eligibility; the fee schedule and the lease agreement for each unit for which the tax credit shall apply and such other information or documentation as the Director may require to determine whether the applicant qualifies for the tax credit. Application and recertification each year must be completed by August 31st.

Sec. ~~46-4216-13~~-16-20. - Reserved

Underlining indicates new language added.

~~Strikethroughs indicate language deleted.~~

* * * Asterisks indicate intervening language and section unchanged.



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BE IT FURTHER ENACTED AND ORDAINED, that this Ordinance shall take effect on the date of its passage.

PASSED this ____ day of _____, 2021.

ATTEST:

KIMBERLEY A. RAU, MMC
Clerk to the City Council

VALERIE M.A. NICHOLAS
President of the City Council

APPROVED this ____ day of _____, 2021.

CRAIG A. MOE
Mayor

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Strikethroughs indicate language deleted.

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