

LIBERO 007 FOLIO 48

COUNTY COUNCIL

OF

DORCHESTER COUNTY, MARYLAND

2017 Legislative Session,  
Legislative Day No. 16

Introduced By: Council

BILL NO. 2017 - 4

AN ACT OF THE COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND PURSUANT TO THE AUTHORITY OF SECTION 9-236 OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND TO ENACT A NEW ARTICLE XIX OF CHAPTER 144 OF THE CODE OF DORCHESTER COUNTY, MARYLAND RELATING TO PARTIAL ABATEMENT OF COUNTY REAL PROPERTY TAXES FOR THE REHABILITATION OF STRUCTURES.

Introduced, read first time, ordered posted on the official bulletin board of County, County Office Building, 501 Court Lane, Cambridge, Maryland 21613.

Ordered publication for once a week for two (2) successive weeks, and public hearing scheduled on Tuesday, May 2, 2017, Room 110, County Office Building, 501 Court Lane, Cambridge, Maryland at 6:15 p.m.

By order



Ricky C. Travers  
President of the County Council  
of Dorchester County, Maryland

COUNTY COUNCIL

OF

DORCHESTER COUNTY, MARYLAND

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RECITALS

WHEREAS, pursuant to Md. Code Ann., Tax-Prop. § 9-236, The County Council of Dorchester County, Maryland (the "County Council") is authorized to grant, by law, a property tax credit against the County tax imposed on real property that is rehabilitated under regulations adopted by the County Council; provided, however, that the property tax credit shall not extend beyond the first ten years after the rehabilitation is completed and shall not exceed the property tax increase attributable to the increase in the assessment of the real property over the assessment before the real property is rehabilitated; and

WHEREAS, there are several properties in Dorchester County that require rehabilitation for purposes of making them habitable and/or marketable for lease or sale; and

WHEREAS, after due consideration, the County Council has determined that a partial property tax abatement for rehabilitated structures would provide a useful incentive to facilitate residential and commercial occupancy in such structures.

SECTION ONE: Acting under Section 9-236 of the Tax-Property Article of the Annotated Code of Maryland, be it ENACTED and ORDAINED by the County Council of Dorchester County, Maryland that a new Article XIX (Partial Tax Abatement for Rehabilitation of Structures) of Chapter 144 (Taxation) of the Code of Dorchester County, Maryland be, and the same is, hereby enacted to read as follows:

ARTICLE XIX

Partial Tax Abatement for Rehabilitation of Structures

§ 144-58. Tax abatement.

A. Eligibility for tax abatement. The property owner of a rehabilitated structure is eligible for a partial real property tax abatement under the following conditions:

- (1) The property owner must invest a minimum of 50 percent of the most recent pre-rehabilitation assessed value of the property, as determined by the State Department of Assessments and Taxation, in the rehabilitation of the structure;
  - (2) The structure shall not be expanded by more than 20 percent of its existing footprint;
  - (3) The property owner must be the applicant for the tax abatement;
  - (4) The property must be current on all County property taxes owed and not be otherwise indebted to the County; and
  - (5) The property must be in full compliance with all County building, fire, zoning, and development-related ordinances.
- B. Unimproved parcels. Unimproved parcels of real property are not eligible for an abatement under this article.
- C. Application requirements.
- (1) The application for the abatement shall be made on a form prescribed by the County and submitted to the Director of Finance.
  - (2) The application must be submitted within 12 months of the date the notice of increase in assessment resulting from the rehabilitation of the structure is issued.
  - (3) The Director of Finance may request any additional information from the applicant which, in his or her judgment, is necessary to make a preliminary determination as to the eligibility of the property for the tax abatement.
- D. Approval and effective date.
- (1) Upon the Director of Finance's confirmation that the criteria of this article have been satisfied, the County Council shall approve the abatement which shall take effect on July 1 of the fiscal year following the application date.
  - (2) In the Director of Finance's discretion, the abatement may be reflected in the property owner's tax bill, or may be remitted to the owner as a separate check by the County.
- E. Duration and amount of abatement; transferability.
- (1) The maximum real property tax abatement on the increased assessment of the rehabilitated structure shall be as follows:
    - (a) Year 1: 100% of net County taxes on the original qualifying increase;
    - (b) Year 2: 80% of net County taxes on the original qualifying increase;

- (c) Year 3: 60% of net County taxes on the original qualifying increase;
- (d) Year 4: 40% of net County taxes on the original qualifying increase;
- (e) Year 5: 20% of net County taxes on the original qualifying increase;
- (f) Year 6: Abatement expired. Full taxes are due and payable.

(2) The abatement is non-renewable and non-transferable to a subsequent owner of the property except for a change of owner due to death or inheritance.

F. Revocation. The failure to adhere to all the criteria of this article for the duration of the tax abatement may, in the County Council's sole discretion, upon recommendation from the Director of Finance, result in the immediate and permanent revocation of the tax abatement.

SECTION TWO: Be it further ENACTED and ORDAINED by the County Council of Dorchester County, Maryland that this Bill shall be known as Bill No. 2017- 4 of Dorchester County, Maryland and shall take effect sixty (60) days after its final passage.

PASSED this 2nd day of May, 2017.

ATTEST:

COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND

BY:   
 \_\_\_\_\_  
 Jeremy Goldman  
 County Manager

BY:   
 \_\_\_\_\_  
 Ricky C. Travers  
 President

APPROVED this 2nd day of May, 2017.

ATTEST:

COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND

BY:   
 \_\_\_\_\_  
 Jeremy Goldman  
 County Manager

BY:   
 \_\_\_\_\_  
 Ricky C. Travers  
 President

Nichols - *aye*  
 Satterfield - *aye*  
 Bradshaw - *aye*  
 Price - *aye*  
 Travers - *aye*

March 21