
Brownfields Tax Credit



Background Information and Application

Who Can Apply for the Tax Credit?

The Baltimore County Brownfields Tax Credit is available only to properties that have gone through the Maryland Voluntary Cleanup Program and have received formal designation by the Maryland Department of Business and Economic Development (DBED) as a “qualified Brownfields site.”

Overview of the Maryland Brownfields Program

In 1997, the State of Maryland enacted Brownfields legislation (SB 340) to foster the clean-up and redevelopment of sites with real or perceived environmental contamination. The bill had two major components:

1. Established a **Voluntary Cleanup Program** under the administration of the Maryland Department of the Environment (MDE). The Voluntary Cleanup Program streamlines the environmental cleanup process for sites, usually industrial or commercial properties, that are contaminated, or perceived to be contaminated, by hazardous substances. Developers and lenders are provided with certain limitations on liability and participants in the program are provided certainty in the process by knowing exactly what will be required.
2. Established the **Brownfields Revitalization Incentive Fund** under the direction of the Maryland Department of Business and Economic Development (DBED) to provide financial assistance to innocent purchasers of eligible Brownfields sites in the form of loans and grants from the Department of Business and Economic Development (DBED) and the **Brownfields Tax Credit** from participating counties or municipalities.

Baltimore County Brownfields Tax Credit

Following enactment of the State Brownfields Program, Baltimore County adopted Bill No. 107-97, establishing a 50% property tax credit on the increased county real property tax liability for a qualified brownfields site after a voluntary cleanup or corrective plan has been completed. A qualified brownfields site may receive an additional 20% credit if the site is located in one of the County’s two enterprise zones, in one of 12 designated Commercial Revitalization Districts, or if the total cost of the cleanup exceeds \$1,000,000. The credit applies for 5 taxable years or 10 taxable years if the site is in an enterprise zone. The County contributes 30% of the increased property tax liability to the State Brownfields Revitalization Incentive Fund, as required by the state legislation, to be used for loans and grants for Baltimore County properties.

Eligible Sites

The State Brownfields law states that a property must meet the following criteria to take advantage of Brownfields Revitalization Incentive Fund (BRIP) financial incentives – including the Brownfields Tax Credit. The property must be:

- Proposed to be purchased by someone who has not previously owned the site and who is not the party responsible for contamination at the site;
- Contaminated by oil or a hazardous substance;
- A former industrial or commercial site located in a densely populated urban area and substantially underutilized;
- An existing or former industrial or commercial site that poses a threat to public health or the environment; and
- Located in a jurisdiction – such as Baltimore County – that has adopted a local ordinance.

Tax Credit Process

1. Applicant must obtain formal designation from the Maryland Department of Business and Economic Development (DBED) that the property is a “qualified Brownfields site” under the Maryland Brownfields program (Title 5, Subtitle 3 of the Economic Development Article, Annotated Code of Maryland). For more information on becoming qualified, contact DBED at 410-767-6353. DBED will make this determination based on the project’s economic development benefits, overall public benefit, degree of cleanup effort in relation to cost, and the potential to attract and retain businesses.
2. Applicant must complete this application form and submit it to:
Brownfields Coordinator
Baltimore County Department of Economic Development
400 Washington Avenue – Suite 100
Towson, MD 21204
3. The Department of Economic Development will review the application and, if approved, will notify both the State Department of Assessments and Taxation (SDAT) and the County Department of Budget and Finance of the site’s eligibility for the Brownfields Tax Credit.
4. SDAT and the County will then take the necessary steps to incorporate the Tax Credit into the next appropriate tax bill for the property. If the property owner believes that the credit has not been applied or has not been calculated correctly, the owner should contact the Brownfields Coordinator at the Department of Economic Development (410-887-8000).

BALTIMORE COUNTY BROWNFIELDS TAX CREDIT APPLICATION

Applicant

Name of Property Owner: _____

Contact Person: _____ Title: _____

Mailing Address: _____

Daytime Telephone Number: _____ Fax: _____

Site Information

Address of Site for which Brownfields Tax Credit benefits are sought : _____

Property Tax Map # _____ Property Tax Parcel # _____

Property Tax Number (10-digit) : _____

Name of Property Owner (if different): _____

Address of Property Owner (if different): _____

Size of property: _____ Acres Size of any existing building(s): _____ Square Feet

Zoning Classification: _____

Type of Brownfields Credit Sought

Check one of these two boxes:

Basic Brownfields Credit (50% for 5 years)

Enhanced Credit (70% for 5 years or for 10 years if site in Enterprise Zone).

*Check one or more of the following reasons for **Enhanced Credit**:*

Site in one of 12 Commercial Revitalization Districts

Cost of Cleanup Exceeds \$1,000,000 (*Attach documentation of expenditures*)

Site in Enterprise Zone ((70% for 10 years, may be combined with Enterprise Zone Tax Credit)

Environmental Review Information

Date Site Accepted into VCP: _____

Type of VCP Outcome and Date (*check one*):

- No Further Requirements (NFRD) dated _____ **OR**
 Certificate of Completion (COC), dated _____

Property owner is required to record the relevant MDE document (NFRD or COC) in the Land Records of Baltimore County within 30 days of receiving document from MDE.

- Date recorded in Land Records: _____.
 Copy of receipt document recordation in Land Records from Circuit Court attached to this application.

Date of letter from Maryland Department of the Environment (MDE) confirming completion of a Voluntary Clean-up or Corrective Action Plan for the Site: _____

- Copy of MDE Letter attached to application

Date of Certification by DBED as "Qualified Brownfields Site": _____

- Copy of DBED Certification Letter attached to application

Proposed Redevelopment

Proposed Project is (*check one or both*):

- New Construction:** Square Feet to be Constructed: _____
 Renovation: Square Feet to be Renovated: _____

Project Starting Date: _____ Expected Completion Date: _____

Estimated Investment (excluding environmental remediation costs): \$ _____

Employment Impact: Number of Jobs Currently on Site: _____

Number of Jobs When Redevelopment Complete: _____

Signature

I declare under penalty of perjury that all information above is true and correct.

Signature of Property Owner

Title

Name (print clearly)

Date of Application

Submit application to:

**Brownfields Coordinator
Baltimore County Department of Economic Development
105 West Chesapeake Avenue
Towson, Maryland 21204
(410) 887-8000 Fax (410) 887-8017**