

Title 05
Office of Budget & Finance
Subtitle 02 Tax Credits
Chapter 07 High Performance Homes

Authority: Annotated Code of Maryland Tax-Property Article § 9-242 and §11-2-203.2, Baltimore County Code, 2003

.01 Definitions.

A. In this chapter, the following terms have the meaning indicated.

B. Terms defined.

(1) “Approved building modeling system” means a software program approved for Home Energy Rating System (HERS) or the passive house planning package, including PHPP software, WUFIE PASSIVE software or a similar modeling system approved by the Director that is designed to measure the energy efficiency of improvements made to residential structures. For multi-family housing, energy modeling should use applicable RESNET or ASHRAE modeling systems or the passive house planning package.

(2) “High performance home” means a new or renovated residential structure:

- (a) That achieves a least a silver rating according the U. S. Green Building Council’s LEED (Leadership in Energy and Environmental Design) for Homes rating system;
- (b) That achieves at least a silver rating according to the International Code Council’s 700 National Green Building Standard (NGBS); or
- (c) That achieves a minimum of 30% of increased energy efficiency based upon improvements made in the process of renovation or construction.

(3) “ASHRAE” means the American Society of Heating, Refrigerating and Air Conditioning Engineers.

(4) “HERS” means Home Energy Rating System

(5) “LEED” means the Leadership in Energy and Environment Design green building rating system for new construction and major renovations. The LEEDv3 Version Rating System or later version will be used as the standard.

(6) “NGBS” means the International Code Council’s 700 National Green Building Standard Rating System.

.02 Tax Credits.

A. The County may grant the owner of a high performance home a property tax credit against the county real property taxes assessed on a high performance home:

(1) If the dwelling is certified as a high performance home using the LEED Rating System or the NGBS Rating System in accordance with accepted practices of the U. S. Green Building Council and the International Code Council's 700 National Green Building Standard; or

(2) If the dwelling is certified as a high performance home based upon improvements made to the dwelling resulting in an increased energy efficiency of not less than 30% as measured from the pre-improvement energy level to that achieved after the completion of the improvements.

B. Amount of Credit and Duration of Credit.

(1) For a high performance home that is certified in the LEED for Homes rating system or the NGBS rating system, the amount of the tax credit is a percentage of the total county property tax assessed on the high performance home as follows:

- (a) LEED silver or NGBS silver - 40%;
- (b) LEED gold or NGBS gold - 60%;
- (c) LEED platinum or NGBS emerald - 100%.

(2) (a) For a high performance home that is certified for increased energy efficiency based upon improvements, the amount of the tax credit is a percentage of the total county property tax assessed on the high performance home that is equal to the percentage of increased energy efficiency achieved in the process of renovation or construction as measured in accordance with paragraph (c) of this subsection.

(b) To be eligible for a tax credit, the amount of increased energy efficiency required to be achieved by the process of renovation or construction is a minimum of 30%.

(c) Measurement.

(i) For a high performance home that is certified for increased energy efficiency based upon improvements, the amount of increased energy efficiency achieved by the renovation or construction shall be measured by a certified HERS rater using RESNET approved software or a certified passive house consultant using PHPP software, WUFI PASSIVE software, or similar modeling system software approved by the Director. For multi-family housing structures modeling shall be performed by a certified HERS rater using RESNET approved software or a certified passive house consultant utilizing PHPP software, WUFI PASSIVE software or a similar modeling system software approved by the Director or a certified ASHRAE professional.

(ii) For existing structures, the initial measurement shall be conducted prior to the renovation to evaluate the existing level of energy efficiency. A second measurement shall be conducted at the conclusion of the renovation to evaluate the increased energy efficiency achieved by the renovation.

(iii) For new construction, design phase energy modeling is required.

(iv) For a high performance home that is renovated, the base line for the measurement is the existing energy efficiency of the structure. For new construction, the base line is the existing requirements of the county building codes.

(3) The duration of the tax credit authorized under this chapter is three consecutive years unless efficiency is designated carbon neutral then the duration of the tax credit is five consecutive years.

D. Number of credits.

An owner of a high performance home may not receive more than one tax credit under this chapter for each high performance home

E. Termination and transferability of credit.

A tax credit authorized under this chapter runs with the property and a transfer of ownership will not result in a lapse of the credit. If the Director determines that the property no longer qualifies for a tax credit under this section, the Director shall terminate the credit and provide the owner with timely notice of this action.

.03 Administration

A. Application

(1) Completed applications for the tax credit shall be filed on or before June 1, immediately preceding the first taxable year for which the credit is sought.

(2) Applications may be obtained online at the Baltimore County government website or from the Customer Service Section, Office of Budget and Finance, 400 Washington Ave., Towson, MD. 21204.

(3) Applications shall be submitted to the Director on a form that the Director requires and shall be accompanied by proof acceptable to the Director that the property meets the requirements set forth in this chapter.

B. Director to Grant or Deny

(1) The Director shall grant or deny the credit within 45 days after receipt of the application.

(2) An application not granted by the Director within 45 days after the application shall be deemed denied.

C. Appeals.

If the Director denies an application under this chapter or is deemed to have denied an application under this chapter, or if the Director terminates a tax credit under this chapter, the applicant may appeal the denial or termination as provided in COBAR 05.02.01.02.

Administrative History

COBAR Title 05, Subtitle 02, Chapter 07 first adopted: May 6, 2014