

Office of Budget and Finance

**CODE OF BALTIMORE COUNTY
REGULATIONS**

05.02.02

Natural Disaster Tax Credit

400 Washington Avenue, Suite 100
Towson, Maryland 21204

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**Title 5
Office of Budget & Finance**

**Subtitle 02 Tax Credits
Chapter 02 Natural Disaster Tax Credit**

Authority: Annotated Code of Maryland Tax- Property Article § 7-306,9-101, and 9-901.1 and §3-7-302 of Baltimore County Code, 2003

.01 Definitions.

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

B. Terms Defined.

- (1) “Allowance” means the difference between the base value and the revised full cash value as determined by an assessment notice of the State Department of Assessment and Taxation
- (2) “Base value” means the Full Cash Value of the property used to determine the assessment on which the County property tax on real property was imposed on or before the date of the natural disaster.
- (3) Dwelling:
 - (a) “Dwelling” is real property that is eligible for the Homestead credit under § 9-105 of the Tax Property Article
 - (b) The dwelling is:
 - (1) Damaged or destroyed due to a natural disaster and subsequently repaired or reconstructed:
 - (2) Revalued after the dwelling is repaired or reconstructed and as a result of the revaluation, the assessment of the dwelling exceeds the last assessment of the dwelling
- (4) “Extent that the Credit is granted” means the allowance for the state property tax equals the Baltimore County allowance and when the Baltimore County credit is reduced to 50% of the allowance, the state credit is also reduced to 50%.
- (5) “Flood damage” includes sewage caused by flood damage
- (6) “Homeowner”
 - (a) Is a person otherwise eligible for the credit allowed under §9-105 of the Tax Property Article; and,
 - (b) The person claiming the credit had a legal interest in the dwelling at the time the dwelling was damaged or destroyed.
- (7) Natural Disaster
 - (a) “Natural disaster” means an emergency situation posing significant danger to life and property that results from a natural physical event such as a blizzard, earthquake, flood, hailstorm, hurricane, ice storm, landslide,

tornado, tropical storm, wildfire, extraterrestrial impact, or the collapse of a subterranean cave.

(b) The County Administrative Officer declares that a natural disaster has occurred.

.02 Tax Credit.

A. Granted.

In accordance with §§ 9-109 and 9-109.1 of the Tax Property Article of the Annotated Code of Maryland, the county shall:

- (1) Grant a tax credit against the Baltimore County real property tax imposed on a dwelling that is repaired or reconstructed after a natural disaster; and
- (2) Recognize a tax credit against the State of Maryland real property tax to the extent that the County credit is granted.

B. Eligibility.

The credit under this section may not be claimed for a dwelling for which repair or reconstruction is completed:

- (1) Before September 18, 2003; or
- (2) After December 31, 2006

C. Amount of credit.

- (1) Except as provided in subsection (3) of this section, the property tax credit granted under this section shall equal:
 - (a) 100% of the amount of the property tax imposed on the natural disaster allowance for fiscal years 2006, 2007, 2008, and 2009; and
 - (b) 50% of the amount of the property tax imposed on the natural disaster allowance for fiscal years 2010, 2011, and 2012.
- (2) First year; prorated credit. (a) The first year the property tax credit is applicable is the fiscal year for which the assessment notice is issued. (b) The property tax credit shall be prorated for any partial year assessment increase.
- (3) Maximum. The property tax credit granted under this section may not reduce the tax liability below the amount of the taxes that would otherwise be due based on the base value.

D. Partial Application of Credit.

- (1) If a dwelling is not used primarily for residential purposes, the county shall apply the apportionment provided by the State Department of Assessments and Taxation to the total property assessment between the part of the dwelling that is used for residential purposes and the part of the dwelling that is not used for residential purposes.
- (2) If the homeowner does not reside in a dwelling for the required time period because of illness or need of special care and is otherwise eligible for a property

tax credit under this section, the homeowner may qualify for the property tax credit under this section.

E. A taxpayer may not be granted a tax credit under this chapter and under § 11-2-203 of the Baltimore County Code, 2003 for the same fiscal year or part of a fiscal year.

.03 Administration.

A. Application

(1) In General. The homeowner shall submit an application to the director for a tax credit, under oath, on a form provided by the director:

(a) On or before September 30, 2005, if the notice of the assessment relating to the improvements to correct natural disaster damage is issued by the state department of assessments and taxation on or before September 1, 2005; or

(b) Within 30 days after the notice of the assessment relating to the improvements to correct natural disaster damage is issued by the State Department of Assessments and Taxation.

(2) The director may require an individual who applies for the credit to provide evidence of eligibility for the tax credit.

(B) Decision of Director.

(1) The director shall:

(a) within 30 days after receiving the application, grant or deny the application for a tax credit under this section; and

(b) notify the applicant of the decision at the address in the application.

(2) If the director does not grant the tax credit within 30 days after receiving the application, the application is deemed to be denied.

(3) A taxpayer whose application for a tax credit is denied may appeal the director's decision as provided for in § 11-2-204 of the Baltimore County Code, 2003

C. Non-lapsing.

(1) The property tax credit continues from year to year without further application by the homeowner.

(2) If requested by the Director of Budget and Finance, the homeowner shall provide evidence of continued eligibility.

D. Certification.

(1) The Director of Budget and Finance shall notify the State Department of Assessment and Taxation of any credits that have been granted under this section.