

**COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND**

**2008 Legislative Session**

Legislative Day # 13

**BILL NO. 2008-16**

**Introduced by: Charles County Commissioners**

**Taxation - Charles County Historic Preservation Rehabilitation Tax Credit**

**Date introduced:** 09 / 17 / 08

**Public Hearing:** 10 / 22 / 08 @ 2:30 p.m.

**Commissioners Action:**    /   /    \_\_\_\_\_

**Commissioner Votes:** WC:\_\_\_\_, EJP:\_\_\_\_, RC:\_\_\_\_, SG:\_\_\_\_, GH:\_\_\_\_

**Pass/Fail:** \_\_\_\_\_

**Effective Date:**    /   /   

**Remarks:** Follow-up work session conducted on 12/3/08; follow-up work session scheduled for 1/14/09.

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COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND

2008 Legislative Session

Bill No. 2008-16

Chapter. No. 281 - Taxation

Introduced by Charles County Department of Planning and Growth Management

Date of Introduction \_\_\_\_\_

**BILL**

AN ACT concerning

**Taxation - Charles County Historic Preservation Rehabilitation Tax Credit**

FOR the purpose of

Establishing a property tax credit for 10% of certified rehabilitation expenses

BY adding to:

Division 2: Code of Ordinances and Regulations

Chapter 281 – Taxation

Article VIII – Real Property Tax

*Code of Charles County, Maryland*

(1994 Edition, 2000 Supplement)

**SECTION 1.** BE IT ENACTED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND, that the Laws of Charles County, Maryland read as follows:

**Division 2: Code of Ordinances and Regulations**

**Chapter 281 - Taxation**

**Article VIII - Real Property Tax**

**§ 281-23 TAX CREDIT FOR QUALIFIED EXPENSES FOR THE RESTORATION OR REHABILITATION OF HISTORIC PROPERTIES.**

**A. AUTHORITY.** IN ACCORDANCE WITH SECTION 9-204.1 OF THE TAX PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, THERE IS A CHARLES COUNTY PROPERTY TAX CREDIT IN THE AMOUNT OF 10% OF THE QUALIFIED EXPENSES USED FOR THE RESTORATION AND PRESERVATION OF AN ELIGIBLE PROPERTY.

**B. DEFINITIONS.** IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANING INDICATED.

(1) CERTIFICATE OF ELIGIBILITY - THE DOCUMENT ISSUED BY THE COMMISSION TO THE OWNER OF AN ELIGIBLE PROPERTY, WHICH AUTHORIZES THE DEPARTMENT OF FISCAL SERVICES TO APPLY A HISTORIC TAX CREDIT TO THE ELIGIBLE PROPERTY.

(2) COMMISSION - THE HISTORIC PRESERVATION COMMISSION CREATED UNDER CHAPTER 297 OF THE COUNTY CODE.

(3) ELIGIBLE PROPERTY - A PRINCIPAL BUILDING, OUTBUILDING, OR CEMETERY THAT IS DESIGNATED AS A LOCAL HISTORIC LANDMARK OR LIES WITHIN A DESIGNATED HISTORIC DISTRICT.

(4) ELIGIBLE WORK - WORK DONE ON AN ELIGIBLE PROPERTY

(a) IN COMPLIANCE WITH THE RULES AS ADOPTED BY THE COMMISSION UNDER CHAPTER 297 OF THE COUNTY CODE;

(b) AFTER THE OWNER RECEIVES INITIAL APPROVAL OF AN APPLICATION FOR A CERTIFICATE OF ELIGIBILITY; AND

(c) IN CONFORMITY WITH THE APPLICATION FOR WHICH INITIAL APPROVAL WAS GIVEN.

(I) ELIGIBLE WORK INCLUDES:

1. THE REPAIR OR REPLACEMENT OF EXTERIOR FEATURES OF THE STRUCTURE;
2. WORK THAT IS NECESSARY TO MAINTAIN THE PHYSICAL INTEGRITY OF THE STRUCTURE WITH REGARD TO SAFETY, DURABILITY, OR WEATHERPROOFING;
3. MAINTENANCE OF THE EXTERIOR OF THE STRUCTURE INCLUDING ROUTINE MAINTENANCE; AND
4. REPAIR OR MAINTENANCE OF EXISTING GRAVESTONES, WALLS, FENCING, OR OTHER SITE FEATURES OF AN EXISTING HISTORIC PROPERTY INCLUDING CEMETERIES.

(II) ELIGIBLE WORK DOES NOT INCLUDE:

1. NEW CONSTRUCTION;
2. INTERIOR FINISH WORK THAT IS NOT NECESSARY TO MAINTAIN THE STRUCTURAL INTEGRITY OF THE BUILDING; OR
3. LANDSCAPE MAINTENANCE OR NEW LANDSCAPE PLANTINGS.

(5) QUALIFIED EXPENSES

(a) THE AMOUNT OF MONEY PAID TO A LICENSED CONTRACTOR BY THE OWNER OF AN ELIGIBLE PROPERTY FOR ELIGIBLE WORK.

(b) THE AMOUNT OF MONEY PAID BY AN OWNER OF AN ELIGIBLE

PROPERTY TO A LICENSED CONTRACTOR FOR ELIGIBLE WORK OR FOR MATERIALS USED TO DO ELIGIBLE WORK.

(c) IN ORDER TO BE ELIGIBLE FOR A TAX CREDIT UNDER THIS SECTION, QUALIFIED EXPENSES MUST BE \$500 OR GREATER.

(6) ROUTINE MAINTENANCE - WORK THAT QUALIFIES AS ROUTINE MAINTENANCE UNDER CHAPTER 297 OF THE COUNTY CODE.

**C. PROCEDURES.**

(1) THE OWNER OF AN ELIGIBLE PROPERTY MAY APPLY TO THE COMMISSION FOR A HISTORIC TAX CREDIT FOR QUALIFIED EXPENSES. THE APPLICATION SHALL BE IN THE FORM AND ACCOMPANIED BY ADDITIONAL INFORMATION THAT THE COMMISSION, BY RULE, REQUIRES.

(2) THE COMMISSION SHALL GIVE INITIAL APPROVAL OF A CERTIFICATE OF ELIGIBILITY :

(a) IF IT DETERMINES THAT PROPERTY TO BE AN ELIGIBLE PROPERTY;

(b) IF IT DETERMINES THAT THE PROPOSED WORK IS ELIGIBLE WORK; AND

(c) IF THE PROPOSED WORK HAS BEEN ISSUED A HISTORIC AREA WORK PERMIT.

(3) UPON COMPLETION OF THE WORK, THE OWNER SHALL SUBMIT TO THE COMMISSION DOCUMENTATION THAT THE WORK WAS DONE IN

ACCORDANCE WITH THE INITIAL APPROVAL OF THE HISTORIC AREA WORK PERMIT AND SHALL DOCUMENT ALL QUALIFIED EXPENSES.

(4) THE COMMISSION SHALL REVIEW THE APPLICATION, THE INITIAL APPROVAL, AND THE DOCUMENTATION.

(5) AT A PUBLIC MEETING, THE COMMISSION SHALL GIVE FINAL APPROVAL OF THE CERTIFICATE OF ELIGIBILITY ONCE THE PROJECT HAS BEEN COMPLETED AND ALL DOCUMENTATION HAS BEEN SUBMITTED TO THE COMMISSION.

(6) UPON FINAL PROJECT REVIEW, THE COMMISSION SHALL DETERMINE WHAT WORK IS ELIGIBLE WORK; AND THE DOLLAR AMOUNT OF QUALIFIED EXPENSES FOR THE WORK.

(7) THE DOLLAR AMOUNT OF QUALIFIED EXPENSES AND THE AMOUNT OF TAX CREDIT SHALL BE ENTERED ON THE CERTIFICATE OF ELIGIBILITY.

(8) AFTER FINAL APPROVAL BY THE COMMISSION, THE COMMISSION SHALL FORWARD THE CERTIFICATE OF ELIGIBILITY TO THE TREASURER'S OFFICE.

(9) THE DEPARTMENT OF FISCAL SERVICES SHALL GRANT THE TAX CREDIT FOR THE TAX YEAR IN WHICH THE CERTIFICATE OF ELIGIBILITY IS RECEIVED BY THE DEPARTMENT.

(a) IF THE AMOUNT OF THE TAX CREDIT UNDER THIS SECTION EXCEEDS THE AMOUNT OF THE CHARLES COUNTY REAL PROPERTY TAX, ANY UNUSED PORTION OF THE TAX CREDIT SHALL BE CARRIED FORWARD FOR UP TO FOUR YEARS.

**D. CHANGE IN OWNERSHIP.** CHANGE IN OWNERSHIP WILL RESULT IN THE LAPSE OF A TAX CREDIT GRANTED UNDER THIS SECTION. ONCE THE PROPERTY HAS BEEN SOLD, NEITHER THE FORMER OR CURRENT PROPERTY OWNER ARE ELIGIBLE FOR THE REMAINDER OF THE CREDIT.

**E. APPEALS.** THE OWNER WHO IS DENIED ALL OR PART OF A TAX CREDIT BY THE COMMISSION MAY APPEAL TO THE CIRCUIT COURT OF CHARLES COUNTY.

**SECTION 2.** BE IT FURTHER ENACTED, that this Act shall take effect FORTY-FIVE (45) calendar days after it becomes law.