

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND  
Legislative Session 2007, Legislative Day No. 19

Bill No. 78-07

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Mr. Vincent J. Gardina, Councilman

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By the County Council, October 15, 2007

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A BILL  
ENTITLED

AN ACT concerning

High Performance Buildings

FOR the purpose of expanding the application of the tax credit for high performance buildings; altering the amount and duration of the tax credit; placing certain limitations on the tax credits; clarifying the transferability of the tax credit; providing for termination of the credit; authorizing the adoption of regulations; providing for the application of this Act; defining certain terms; and generally relating to the tax credit for high performance buildings.

BY renumbering

Section 11-2-112 to be Section 11-2-203.1  
Article 11. Taxation  
Title 2. Ad Valorem Taxes  
Baltimore County Code 2003

BY repealing and re-enacting, with amendments

Sections 11-2-203.1 and 11-2-204(a)(1)  
Article 11. Taxation  
Title 2. Ad Valorem Taxes  
Baltimore County Code 2003

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EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter stricken from existing law.  
~~Strike out~~ indicates matter stricken from bill.  
Underlining indicates amendments to bill.

1 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE  
2 COUNTY, MARYLAND, that Section 11-2-112, of Article 11. Taxation, Title 2 - Ad Valorem  
3 Taxes, of the Baltimore County Code, 2003, is hereby renumbered to be Section 11-2-203.1, of  
4 Article 11. Taxation, Title 2 - Ad Valorem Taxes of the Baltimore County Code, 2003.

5 SECTION 2. AND BE IT FURTHER ENACTED, that Sections 11-2-203.1 and 11-2-  
6 204(a)(1), of Article 11. Taxation, Title 2 - Ad Valorem Taxes of the Baltimore County Code, 2003,  
7 be and they are hereby repealed and re-enacted, with amendments, to read as follows:

8 § 11-2-203.1.

9 (a) (1) In this section, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

10 (2) “[high] HIGH performance building” means a commercial building that achieves at least  
11 a Silver rating according to the U.S. Green Building Council’s [LEED-NC] LEED (Leadership in  
12 Energy and Environmental Design) Green Building rating system.

13 (3) (I) “LEED RATING SYSTEM” MEANS THE LEADERSHIP IN ENERGY AND  
14 ENVIRONMENTAL DESIGN RATING SYSTEM AS MAY BE ADOPTED AND AMENDED.

15 (II) “LEED RATING SYSTEM” INCLUDES:

- 16 1. LEED-NC FOR NEW CONSTRUCTION;
- 17 2. LEED-CS FOR CORE AND SHELL; AND
- 18 3. LEED-EB FOR EXISTING BUILDINGS.

19 (b) IN ACCORDANCE WITH §9-242 OF THE TAX-PROPERTY ARTICLE OF THE  
20 ANNOTATED CODE OF MARYLAND, THE OWNER OF A HIGH PERFORMANCE  
21 BUILDING MAY RECEIVE A PROPERTY [There is a] tax credit [from] AGAINST county real  
22 property taxes [levied] ASSESSED on a high performance building.

1 (c) (1) FOR A HIGH PERFORMANCE BUILDING THAT IS CERTIFIED IN THE LEED  
2 RATING SYSTEM FOR NEW CONSTRUCTION, THE AMOUNT OF THE TAX CREDIT IS A  
3 PERCENTAGE OF THE TOTAL COUNTY PROPERTY TAX ASSESSED ON THE HIGH  
4 PERFORMANCE BUILDING AS FOLLOWS:

5 (I) LEED CERTIFIED SILVER - 50%;

6 (II) LEED CERTIFIED GOLD - 60%; AND

7 (III) LEED CERTIFIED PLATINUM - 80%.

8 (2) The duration of the tax credit AUTHORIZED UNDER THIS SUBSECTION is [ten]  
9 FIVE consecutive years.

10 (D) (1) FOR A HIGH PERFORMANCE BUILDING THAT IS CERTIFIED IN THE LEED  
11 RATING SYSTEM FOR CORE AND SHELL, THE AMOUNT OF THE TAX CREDIT IS A  
12 PERCENTAGE OF THE TOTAL COUNTY PROPERTY TAX ASSESSED ON THE HIGH  
13 PERFORMANCE BUILDING AS FOLLOWS:

14 (I) LEED CERTIFIED SILVER - 40%;

15 (II) LEED CERTIFIED GOLD - 50%; AND

16 (III) LEED CERTIFIED PLATINUM - 70%.

17 (2) THE DURATION OF THE TAX CREDIT AUTHORIZED UNDER THIS  
18 SUBSECTION IS FIVE CONSECUTIVE YEARS.

19 [(d)] (E) (1) [The amount of the tax credit is equal to 100% of the county's property tax.] FOR A  
20 HIGH PERFORMANCE BUILDING THAT IS CERTIFIED IN THE LEED RATING SYSTEM  
21 FOR EXISTING BUILDINGS, THE AMOUNT OF THE TAX CREDIT IS A PERCENTAGE OF  
22 THE TOTAL COUNTY PROPERTY TAX ASSESSED ON THE HIGH PERFORMANCE  
23 BUILDING AS FOLLOWS:

- 1 (I) LEED CERTIFIED SILVER - 10%;
- 2 (II) LEED CERTIFIED GOLD - 25%; AND
- 3 (III) LEED CERTIFIED PLATINUM - 50%.

4 (2) THE DURATION OF THE TAX CREDIT AUTHORIZED UNDER THIS  
5 SUBSECTION IS THREE CONSECUTIVE YEARS.

6 (F) A PROPERTY OWNER MAY NOT RECEIVE MORE THAN ONE TAX CREDIT UNDER  
7 THIS SECTION FOR EACH HIGH PERFORMANCE BUILDING.

8 (G) A PROPERTY TAX CREDIT GRANTED UNDER THIS SECTION SHALL TERMINATE  
9 IF DURING THE CREDIT PERIOD, THE DIRECTOR OF BUDGET AND FINANCE FINDS  
10 THAT THE PROPERTY HAS BEEN ALTERED SO THAT IT NO LONGER COMPLIES WITH  
11 THE LEED RATING SYSTEM, VERSION, AND LEVEL THAT WAS THE BASIS FOR  
12 GRANTING THE CREDIT AT THE TIME THE CREDIT WAS GRANTED.

13 (H) A TAX CREDIT GRANTED UNDER THIS SECTION RUNS WITH THE PROPERTY AND  
14 A CHANGE IN OWNERSHIP DOES NOT RESULT IN A LAPSE OF THE TAX CREDIT.

15 [(e)] (I) The total tax [credit] CREDITS for the program may not exceed AN AGGREGATE  
16 AMOUNT OF \$5,000,000, subject to the County Council's annual review of the program amount.

17 [(f)] (J) An application for the tax credit shall be filed on or before June 1 immediately preceding  
18 the first taxable year for which the tax credit is sought.

19 [(g)] (K) An application for the tax credit shall be:

- 20 (1) Submitted to the Director of Budget and Finance on forms that the Director requires;
- 21 (2) Accompanied by proof that the property meets the definition of a "high performance  
22 building" and other requirements set forth in this section; and
- 23 (3) Under oath.

1 [(h)] (L) The Office of Budget and Finance shall:

2 (1) Review each application for a tax credit; and

3 (2) Grant or deny the application for a tax credit under this section.

4 (M) A TAXPAYER WHOSE APPLICATION FOR A TAX CREDIT UNDER THIS SECTION IS  
5 DENIED OR WHOSE TAX CREDIT IS TERMINATED BY ACTION OF THE DIRECTOR OF  
6 BUDGET AND FINANCE UNDER SUBSECTION (G) OF THIS SECTION MAY APPEAL THE  
7 DENIAL OR TERMINATION AS PROVIDED IN §11-2-204 OF THIS SUBTITLE.

8 (N) THE DIRECTOR OF BUDGET AND FINANCE MAY ADOPT REGULATIONS IN  
9 ACCORDANCE WITH ARTICLE 3, TITLE 7 OF THE CODE TO CARRY OUT THE  
10 PROVISIONS OF THIS SECTION.

11 §11-2-204.

12 (a) (1) A taxpayer whose application for tax credit under this subtitle is denied OR WHOSE  
13 TAX CREDIT IS TERMINATED UNDER APPLICABLE LAW may appeal the Director's  
14 decision, in writing, to the County Administrative Officer within 15 days after the Director's denial  
15 OR TERMINATION.

16 SECTION 3. AND BE IT FURTHER ENACTED, that this Act does not apply to any tax  
17 credit granted or applied for under §11-2-112 of the Baltimore County Code, 2003 before the  
18 effective date of the Act except to the extent that any tax credit granted or applied for before the  
19 effective date of the Act effects the overall \$5,000,000 limitation on the tax credit.

20 SECTION 4. AND BE IT FURTHER ENACTED, that this Act, having been passed by the  
21 affirmative vote of five members of the County Council, shall take effect on December 3, 2007.

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