

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council Of Howard County, Maryland

2011 Legislative Session

Legislative Day No. 12

Bill No. 55 -2011

Introduced by: Calvin Ball
Co-sponsored by: Courtney Watson

AN ACT authorizing a property tax credit for certain residential buildings that meet specified environmental standards; providing for the amount and duration of the credit; and generally relating to property tax credits.

Introduced and read first time _____, 2011. Ordered posted and hearing scheduled.

By order _____
Stephen LeGendre, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2011.

By order _____
Stephen LeGendre, Administrator

This Bill was read the third time on _____, 2011 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Stephen LeGendre, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ____ day of _____, 2011 at ____ a.m./p.m.

By order _____
Stephen LeGendre, Administrator

Approved/Vetoed by the County Executive _____, 2011

Ken Ulman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **Section 1. Be it enacted by the County Council of Howard County, Maryland, that** the Howard
2 County Code is amended as follows:

3 *By amending:*

4 *Title 20. Taxes, Charges and Fees.*

5 *Subtitle 1 Real property Tax; Administration, Credits, and Enforcement.*

6 *Part III State-Authorized Howard County Tax Credits.*

7 *Section 20.129B Property tax credit for high performance buildings.*

8
9 **Title 20. Taxes, Charges and Fees.**

10 **Subtitle 1 Real property Tax; Administration, Credits, and Enforcement.**

11 **Part III State-Authorized Howard County Tax Credits.**

12
13 **Sec. 20.129B. - Property tax credit for high performance buildings.**

14 (a) *Definitions.* In this section, the following terms have the meanings indicated:

15 (1) High performance building means a building that:

16 (i) Achieves at least a silver rating according to the U.S. Green Building
17 Council's LEED (Leadership in Energy and Environmental Design) rating
18 system;

19 (ii) Achieves at least a comparable rating according to design standards that
20 the Director of the Department of Inspections, Licenses and Permits may
21 adopt by regulation as equivalent to a silver rating in the LEED rating
22 system; or

23 (iii) Meets comparable green building guidelines or standards approved by the
24 State.

25 (2) LEED rating system shall have the meaning set forth in section 3.1002 of this
26 Code.

27 (3) R-2 OR R-3 BUILDING HAS THE MEANING ASCRIBED TO THAT TERM UNDER THE
28 HOWARD COUNTY BUILDING CODE.

29 (b) *Credit Established.* In accordance with section 9-242 of the tax-property article of the
30 Annotated Code of Maryland, the owner of a high performance building OR AN R-2 OR R-3

1 BUILDING THAT QUALIFIES UNDER SUBSECTION (D) OF THIS SECTION may receive a property
2 tax credit against County property taxes imposed on the high performance building.

3 (c) *Amount and Duration of Credit for Certification in LEED Core and Shell or New*
4 *Construction Rating Systems.* For a high performance building that is certified in the
5 LEED 2009 rating system for core and shell or a comparable rating system that the
6 Director of Inspections, Licenses and Permits may adopt by regulation:

7 (1) The amount of the tax credit is a percentage of the total County property tax
8 assessed on the high performance building as follows:

- 9 (i) LEED certified silver—25 percent;
- 10 (ii) LEED certified gold—50 percent;
- 11 (iii) LEED certified platinum—75 percent; and

12 (2) The tax credit authorized by this subsection continues for five years.

13 (D) *AMOUNT AND DURATION OF CREDIT FOR R-2 AND R-3 BUILDINGS.*

14 (1) THIS SUBSECTION APPLIES TO AN R-2 OR R-3 BUILDING THAT ACHIEVES AT LEAST A
15 SILVER RATING UNDER THE LEED FOR HOMES RATING SYSTEM OR A COMPARABLE RATING
16 SYSTEM THAT THE DIRECTOR OF INSPECTIONS, LICENSES AND PERMITS MAY ADOPT BY
17 REGULATION.

18 (2) THE TAX CREDIT FOR A BUILDING UNDER THIS SUBSECTION IS A PERCENTAGE OF
19 THE TOTAL COUNTY PROPERTY TAX CREDIT ASSESSED ON THE BUILDING AS FOLLOWS:

- 20 (I) FIRST YEAR: 100 PERCENT
- 21 (II) SECOND YEAR: 75 PERCENT
- 22 (III) THIRD YEAR: 50 PERCENT
- 23 (IV) FOURTH YEAR: 25 PERCENT

24 ~~[(d)]~~ (E) *Amount and Duration of Credit for Certification in Existing Building Rating*
25 *System.* For a high performance building that is certified in the LEED 2009 rating system
26 for existing buildings or a comparable rating system that the Director of Inspections,
27 Licenses and Permits may adopt by regulation:

28 (1) The amount of the tax credit is a percentage of the total County property tax
29 assessed on the high performance building as follows:

- 30 (i) LEED certified silver—Ten percent;
- 31 (ii) LEED certified gold—25 percent;

- 1 (iii) LEED certified platinum—50 percent; and
- 2 (2) The tax credit authorized by this subsection continues for three years.
- 3 ~~[(e)]~~ (F) *Prohibition.* A property owner ~~[[may not receive a credit under both subsection~~
4 ~~(c) and subsection (d)]]~~ WHO IS GRANTED A CREDIT UNDER ONE SUBSECTION OF THIS
5 SECTION MAY NOT BE GRANTED A CREDIT UNDER ANY OTHER SUBSECTION OF THIS SECTION
6 FOR THE SAME PROPERTY during the same fiscal year.
- 7 ~~[[f]]~~ (G) *Credit Runs with the Property.* A tax credit granted under this section runs with
8 the property and a change in ownership does not result in the lapse of the tax credit.
- 9 ~~[[g)]~~ (H) *Application.* To receive the tax credit, a property owner shall submit an
10 application to the Department of Finance:
- 11 (1) On the form that the Department of Finance requires;
- 12 (2) That is accompanied by proof that the property meets the definition of a "high
13 performance building"; and
- 14 (3) On or before the date that the Department of Finance sets.
- 15 ~~[[h)]~~ (I) *Report.* On or before October 31 of each year, the Director of Finance shall
16 submit a report to the County Council and the County Executive on tax credits granted
17 under this section in the prior fiscal year that includes:
- 18 (1) A list of all credits granted and the monetary amount of each credit granted under
19 ~~[[subsections (c) and (d) of]]~~ this section;
- 20 (2) The levels of certification obtained by recipients of the credit; and
- 21 (3) An estimated total fiscal impact for the current fiscal year and for nine ensuing
22 fiscal years.
- 23 ~~[[i)]~~ (J) *Administration.* The Department of Finance may adopt guidelines, regulations, or
24 procedures to administer this section.
- 25 ~~[[j)]~~ (K) *Effective Date.* The tax credit authorized by SUBSECTION (D) OF this section applies
26 to tax years beginning after ~~[[June 30, 2008]]~~ JUNE 30, 2012, AND SHALL TERMINATE AND
27 BE OF NO EFFECT AFTER JUNE 30, 2017.

28

29 ***Section 2. And Be It Further Enacted*** by the County Council of Howard County, Maryland, that
30 *this Act shall take effect 61 days after its enactment.*