

**RULES AND REGULATIONS - PROPERTY TAX CREDITS**  
**URBAN AGRICULTURAL PROPERTY**

1.0. Background

These rules and regulations are issued pursuant to the authority granted to the Director of Finance by Ordinance 15-350, effective June 7, 2015, and codified in Section 10-19 of Article 28 of the City Code, which provides for property tax credits on qualified urban agricultural property; as authorized by Section 9-253 of the Tax-Property Article of the Maryland Code.

2.0. Goal

The goal of this tax credit is to encourage the continuous agricultural use of otherwise vacant land in the City of Baltimore for the production of agricultural products and the continued maintenance of such property.

3.0. Definitions

The terms defined in Section 10-19 of Article 28 of the City Code have the definitions set forth in that ordinance and nothing contained herein shall be interpreted to alter those definitions.

4.0. Applications

For All Applications:

The application requirements set forth below include specific deadlines relative to the submission of certain documents and the completion of certain steps in the application process. These deadlines are binding upon all applicants and will not be altered for any individual applicant. Failure to meet any of the deadlines outlined below shall result in the cancellation of the applicant's application. By applying for this credit, an applicant acknowledges these requirements and agrees to be bound by the deadlines set forth below.

All applications shall be submitted electronically to the Baltimore City Department of Finance at the following email address:

[Tax.Credits@baltimorecity.gov](mailto:Tax.Credits@baltimorecity.gov)

No applications or required documents shall be accepted in paper form. The City of Baltimore shall not be responsible for any connectivity issues experienced by the applicant and no extensions shall be granted regarding any of the time requirements outlined below due to issues beyond the control of the City of Baltimore's Department of Finance.

#### 4.1 Pre-Application Requirements

Prior to applying for this credit, a qualifying urban agriculture property must be used to establish a qualifying urban agriculture purpose. The limitations on qualifying urban agriculture property are set forth in section 9-253 of the Tax-Property Article of the Maryland Code. If the applicant for this credit is not the owner of the property, permission must be obtained from the property owner before applying for this credit.

For the purposes of this credit, a qualifying urban agriculture purpose is limited to the production of animals, animal products, plants, or plant products, with a minimum annual market value of \$5,000 and the other acceptable purposes listed in Section 9-253 of the Tax-Property Article of the Maryland Code. Additionally, the property in use may not be used for any other purposes that would subject the parcel to property tax liability. This includes, but is not limited to: any dwelling, any structure not utilized exclusively for qualifying urban agriculture purposes, and any income generating purpose other than the qualifying urban agriculture purpose.

Once a qualifying urban agriculture purpose has been established on a qualifying urban agriculture property, and the past, current, or anticipated production has been shown to achieve the required \$5,000 market value, an application for this tax credit may be submitted.

#### 4.2 Application Part I – Initial Application

The application for this credit and instructions for its completion are available on the website of the Baltimore Office of Sustainability:  
[www.baltimoresustainability.org](http://www.baltimoresustainability.org)

The application should be completed in its entirety, signed and submitted electronically to the Baltimore City Department of Finance at the following email address:  
[Tax.Credits@baltimorecity.gov](mailto:Tax.Credits@baltimorecity.gov)

Applications must be received between January 1<sup>st</sup> and April 1<sup>st</sup> in order to be considered for the credit in the tax year that begins on July 1<sup>st</sup> of that same calendar year. No partial year credits will be granted and all applications received outside of the application period will not be considered.

#### 4.3 Application Part II – Continuing Eligibility

Once a credit has been initially granted, the applicant is responsible for annually submitting the continuing eligibility form no later than April 1<sup>st</sup> of the tax year for which the credit has been granted. This form is also available on the website of the Baltimore Office of Sustainability and should be submitted to the Baltimore City Department of Finance at the email address listed above. The continuing eligibility form shall be reviewed by the Baltimore Office of Sustainability, which

shall have sole responsibility for verifying that the credit recipient remains eligible to receive the credit.

#### 4.4 Application Supplemental – Request for Waiver of Value Requirement

If a credit applicant is unable to meet the value requirement of the credit, but wishes to continue receiving the credit, a request for a waiver of the value requirement may be submitted. This request must be on the form provided by the Baltimore Office of Sustainability and must be submitted to the Department of Finance at the website listed above. The Baltimore Office of Sustainability will consider requests for a waiver of the value requirement only if the agricultural use of the property:

- A) is newly established, or
- B) has suffered an unexpected disaster, such as drought, vandalism, or infestation.

All decisions regarding requests for waivers of the value requirement will be made by the Baltimore Office of Sustainability and will be final. Additionally, a waiver of the value requirement may not be granted for more than two consecutive tax years.

### 5.0. Eligibility

#### 5.1 Initial Eligibility:

To be eligible to apply for this credit an applicant must have a legal interest in qualifying urban agriculture property as defined in section 9-253 of the Tax-Property Article of the Maryland Code. If said interest is less than fee simple ownership, the applicant must have the express written permission of the property owner in order to apply for this credit. Any application submitted without the express written permission of the property owner will be deemed fraudulent and will not be considered for the credit.

An applicant must also have established a qualifying urban agriculture use for the property. The qualifying urban agriculture uses for the purposes of this credit are limited to the production of animals, animal products, plants or plant products and the other acceptable purposes listed in Section 9-253 of the Tax-Property Article of the Maryland Code. Applicant must complete an initial application for the credit. Applicant's signature on said application acknowledges that the credit may be rescinded if any of the eligibility requirements are not met and, if rescinded, any previously awarded credit amounts, and a surcharge on those amounts, will become due from the property owner.

#### 5.2 Determination of Eligibility:

The applicant must follow the procedures outlined in section 4 of these rules and regulations, meet the necessary eligibility criteria specified throughout these rules

and regulations, and apply during the specified application period. The Baltimore Office of Sustainability and the Department of Finance will determine if the eligibility criteria for the credit have been met.

### 5.3 Continuing Eligibility:

To continue to receive the credit the applicant shall ensure that the property for which the credit is granted continues to qualify as an urban agriculture property. Failure to maintain continuous urban agricultural use at any time during the 5-year term of the credit or during the 5-year renewal term will result in the termination of the credit and the recovery of all previously issued credits and any applicable surcharges.

Additionally, continuing eligibility for the credit shall be dependent upon the applicant:

- 1) Submitting all annually required documentation in a timely manner;
- 2) Ensuring that the property for which the credit is granted continues to comply with all the requirements of the Baltimore City Building, Fire, and Related Codes Article

Failure to comply with any of these requirements shall result in the immediate termination of the tax credit herein provided.

### 5.4 Transferability of Credit

Any owner is responsible for repayment of any past credit granted to that property under any past ownership if during the life of the credit the property ceases to be eligible for the credit.

## 6.0 Term of Credit and Commencement of Credit Term

The credit is for a fixed period of 5 tax years. The 5-year period commences with the first tax year beginning after approval of the credit application and expires at the end of the fifth tax year beginning after approval of the credit application.

On application made no later than 90 days prior to the expiration of the 5-year term, a property owner may apply to renew the credit for an additional 5 tax years.

## 7.0 Calculation of Amount of Credit

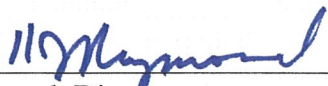
The credit is applied to City real property taxes only. The tax credit is equal to the amount of City real property tax that would otherwise be due on the property less the amount of any other credit applicable to the property in that tax year, multiplied by 90%.

## 8.0 Annual Reporting Provision

The Sustainability Office, after consultation with the Director of Finance, must analyze the public costs and benefits of the credits herein provided for and must annually report its findings to the Board of Estimates and the City Council.

These rules and regulations become effective 3/31/17 and have been filed with the City of Baltimore Department of Legislative Reference.

Issued and Approved:

  
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Henry Raymond, Director  
Department of Finance

3/31/17  
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Date

  
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Hilary Ruley, Chief Solicitor  
Law Department

3/28/17  
\_\_\_\_\_  
Date

  
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Avery Aisenstark, Director  
Legislative Reference

3/31/17  
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Date