

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

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

(1) High performance building means a building that:

- (i) Achieves at least a silver rating according to the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) rating system;
- (ii) Achieves at least a silver certification level of the National Green Building Standard ICC-700 if the Director of the Department of Inspections, Licenses and Permits finds that the standard is equivalent to at least a silver rating according to the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) rating system;
- (iii) Achieves at least a comparable rating according to design standards that the Director of the Department of Inspections, Licenses and Permits may adopt by regulation as equivalent to a silver rating in the LEED rating system; or
- (iv) Meets comparable green building guidelines or standards approved by the State.

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

(3) R-2 or R-3 building has the meaning ascribed to that term under the Howard County Building Code.

(b) *Credit Established.* In accordance with section 9-242 of the tax-property article of the Annotated Code of Maryland, the owner of a high performance building or an R-2 or R-3 building that qualifies under subsection (d) of this section may receive a property tax credit against County property taxes imposed on the high performance building.

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

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

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

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

(d) *Amount and duration of credit for high performance R-2 and R-3 buildings.*

(1) This subsection applies to an R-2 or R-3 building that:

- (i) Achieves at least a silver rating under the LEED for Homes Rating System or a comparable rating system that the Director of Inspections, Licenses and Permits may adopt by regulation; and
- (ii) Is a high performance building.

(2) The tax credit under this subsection for a building that has a LEED platinum or equivalent rating is a percentage of the total County property tax credit assessed on the building as follows:

- (i) First year: 100 percent;
- (ii) Second year: 75 percent;
- (iii) Third year: 50 percent; and
- (iv) Fourth year: 25 percent.

(3) The tax credit under this subsection for a building that has a LEED gold or equivalent rating is a percentage of the total County property tax credit assessed on the building as follows:

- (i) First year: 90 percent;
- (ii) Second year: 68 percent;

- (iii) Third year: 45 percent; and
  - (iv) Fourth year: 23 percent.
- (4) The tax credit under this subsection for a building that has a LEED silver or equivalent rating is a percentage of the total County property tax credit assessed on the building as follows:
- (i) First year: 75 percent;
  - (ii) Second year: 56 percent;
  - (iii) Third year: 38 percent; and
  - (iv) Fourth year: 19 percent.
- (5) (i) In one fiscal year, the tax credit under this subsection may not exceed \$5,000.00 per building; provided, however, that each owner occupied unit is allowed a credit not to exceed \$5,000.00.
- (ii) Excess credits shall not be carried over to future years.
- (e) *Amount and Duration of Credit for Certification in Existing Building Rating System.* For a high performance building that is certified in the LEED 2009 rating system for existing buildings or a comparable rating system that the Director of Inspections, Licenses and Permits may adopt by regulation:
- (1) The amount of the tax credit is a percentage of the total County property tax assessed on the high performance building as follows:
- (i) LEED certified silver—Ten percent;
  - (ii) LEED certified gold—25 percent;
  - (iii) LEED certified platinum—50 percent; and
- (2) The tax credit authorized by this subsection continues for three years.
- (f) *Prohibition.* A property owner who is granted a credit under one subsection of this section may not be granted a credit under any other subsection of this section for the same property during the same fiscal year.
- (g) *Credit Runs with the Property.* A tax credit granted under this section runs with the property and a change in ownership does not result in the lapse of the tax credit.
- (h) *Application.* To receive the tax credit, a property owner shall submit an application to the Department of Finance:
- (1) On the form that the Department of Finance requires;
  - (2) That is accompanied by proof that the property meets the definition of a "high performance building"; and
  - (3) On or before the date that the Department of Finance sets.
- (i) *Report.* On or before October 31 of each year, the Director of Finance shall submit a report to the County Council and the County Executive on tax credits granted under this section in the prior fiscal year that includes:
- (1) A list of all credits granted and the monetary amount of each credit granted under this section;
  - (2) The levels of certification obtained by recipients of the credit; and
  - (3) An estimated total fiscal impact for the current fiscal year and for nine ensuing fiscal years.
- (j) *Administration.* The Department of Finance may adopt guidelines, regulations, or procedures to administer this section.
- (k) *Effective Date.* The tax credit authorized by subsection (d) of this section applies to tax years beginning after June 30, 2012, and shall terminate and be of no effect after June 30, 2017.
- (C.B. 49, 2007, § 2; C.B. 47, 2009, § 2; C.B. 55, 2011, § 1)

**Editor's note—**

Council bill 49 of 2007 amended the Code by adding provisions designated as § 20.130. In order to avoid conflicts in section numbering the editor has redesignated the provisions of this Council bill as § 20-129B.

**State law reference**— Tax credits for high performance buildings, Ann. Code of Md., Tax-Property article, § 9-242.



HOWARD COUNTY, MARYLAND  
 DIRECTOR OF FINANCE  
 GEORGE HOWARD BUILDING  
 3430 COURT HOUSE DRIVE  
 ELLICOTT CITY, MD 21043

**APPLICATION FOR TAX CREDIT FOR HIGH PERFORMANCE R-2 OR R-3 BUILDING**

HOWARD COUNTY CODE SECTION 20.129B

In accordance with the provisions of § 9-242 of the Tax-Property Article of the Annotated Code of Maryland, the owner of a high performance or an R-2 or R-3 building that qualifies under subsection (D) of this section may receive a property tax credit against the county property taxes imposed on the high performance or R-2 or R-3 building.

For an R-2 or R-3 building that has a LEED Platinum or equivalent rating the total percentage of County Property Tax Credit is as follows:

First Year 100%      Second Year 75%      Third Year 50%      Fourth Year 25%

For an R-2 or R-3 building that has a LEED Gold or equivalent rating the total percentage of County Property Tax Credit is as follows:

First Year 90%      Second Year 68%      Third Year 45%      Fourth Year 23%

For an R-2 or R-3 building that has a LEED Silver or equivalent rating the total percentage of County Property Tax Credit is as follows:

First Year 75%      Second Year 56%      Third Year 38%      Fourth Year 19%

The application shall be filed no later than April 1 prior to the first taxable year for which the credit is sought. All taxes are due and payable when issued. In one fiscal year, the tax credit for an R-2 or R-3 building may not exceed \$5,000 per building; Provided, however that each owner occupied unit is allowed a credit not to exceed \$5,000. Excess credits shall not be carried over to future years.

Date of Application \_\_\_\_\_ Tax Year beginning \_\_\_\_\_ Property Account Number \_\_\_\_\_

Owner's Name \_\_\_\_\_ Property Address \_\_\_\_\_

Mailing Address \_\_\_\_\_ Phone Number \_\_\_\_\_

I am applying for the following credit: *(Please attach applicable LEED, ICC 700 or Green Neighborhood Certification)*

- |                                       | <u>LEED Level</u>                 | <u>ICC 700 Level</u>             | <u>Green Neighborhood Equivalent</u> |
|---------------------------------------|-----------------------------------|----------------------------------|--------------------------------------|
| <input type="checkbox"/> R-2 Building | <input type="checkbox"/> Platinum | <input type="checkbox"/> Emerald | <input type="checkbox"/> 191-251     |
| <input type="checkbox"/> R-3 Building | <input type="checkbox"/> Gold     | <input type="checkbox"/> Gold    | <input type="checkbox"/> 164-190     |
|                                       | <input type="checkbox"/> Silver   | <input type="checkbox"/> Silver  | <input type="checkbox"/> 136-163     |

\_\_\_\_\_  
 Signature of Owner

THIS APPLICATION IS AVAILABLE alternative FORMATS –to request a different format please call 410-313-4076.

(Do Not Write Below This Line)

Certification Verified \_\_\_\_\_ DILP Signature \_\_\_\_\_ Date \_\_\_\_\_

Tax Year	Building Assessment	SDAT Signature	SDAT Date	Credit Amount	Finance Approval	Finance Date

Disapproved: \_\_\_\_\_

Reason: \_\_\_\_\_