

Chapter 108
TAXATION¹⁰

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[HISTORY: Adopted by the Mayor and Council of the City of Hyattsville: Art I, 6-7-82 as HB No. 5-82. Amendments noted where applicable.]
GENERAL REFERENCES

Taxation generally - See Charter, Art. V, Finance.

Amusements and entertainment - See Ch. 40.

ARTICLE I

Admission and Amusement Tax

[Adopted 6-7-82 as HB No. 5-82]

§ 108-1. Establishment of tax; collection; tax rate; additional tax¹¹. [Amended 10-7-91 by HB No. 5-91]

A. Pursuant to the authorization of § 4-102(b) (1) of the Tax-General Article of the Annotated Code of Maryland, as amended or recodified from time to time, a tax is imposed on the gross receipts derived from any admissions and amusement charge as defined in § 4-101(b) of the Tax-General Article of the Annotated Code of Maryland, as amended or recodified from time to time, at the rate of ten percent (10%); except as this rate may be limited pursuant to § 4-105(b) of the Tax-General Article of the Annotated Code of Maryland, as amended or recodified from time to time.

B. Pursuant to the authorization of § 4-102(b) (2) of the Tax-General Article of the Annotated Code of Maryland, as amended or recodified from time to time, an additional tax is imposed on reduced charges or free admissions as set forth in § 4-105(f) of the Tax-General Article of the Annotated Code of Maryland, as amended or recodified from time to time.

¹⁰ *Editor's Note: The tax rate for the City of Hyattsville is set annually by resolution of the City Council. For current provisions regarding the present tax rate for the city, consult municipal records on file in the office of the City Clerk.*

¹¹ *Editor's Note: Section 108-1 was repealed and reenacted with amendments on 10-7-91 by HB No. 5-91.*

ARTICLE II

Tax Credits

[Added 09-08-08 by HO-2008-07]

§ 108-2. Homestead Property Tax Credit [Added 11-19-90 by HB No. 7-90]

A. Pursuant to 9-105(E) of the Tax-Property Article of the Annotated Code of Maryland, the Homestead Property Tax Credit percentage for the City of Hyattsville, effective for the taxable year beginning July 1, 1991, and subsequent years shall be 110%.

B. The Homestead Property Tax Credit program shall be implemented and administered by the Treasurer in accordance with the provisions of state law and rules and regulations established by the State Department of Assessments and Taxation.

§ 108-3. Local Supplement to the State Homeowners Property Tax Credit

A. Tax Credit. A homeowner's property tax credit shall be allowed against the City property tax imposed on residential real property if the owner qualifies for the credit under this Article.

B. Definitions. Except as otherwise provided herein, the terms used in this Article shall have the same meaning as set forth in Section 9-104 of the Tax-Property Article of the Annotated Code of Maryland.

(1) "Assessed value" means the adjusted value to which the property tax is applied.

(2) "Director" means the Treasurer for the City of Hyattsville or his or her designee.

(3) "Final Tax liability" means the tax liability for any property tax on the property of a dwelling less any property tax credit provided under Section 9-104 of the Tax-Property Article and any supplemental homeowners property tax credit provided under this section and any property tax credit provided by Prince George's County.

(4) "Section 9-104" means Section 9-104 of the Tax-Property Article of the Annotated Code of Maryland or any successor provision.

(5) "Taxable year" means July 1 to June 30, both inclusive, for which the City computes, imposes and collects real property tax.

(6) "Total Eligible City Real Property Tax" means the sum of all City real property tax rates used to calculate the property tax liability for a homeowner for a taxable year, excluding property tax rates in special taxing districts, and excluding City special assessments and charges, such as for stormwater, refuse and the like, or interest and penalties on overdue real property taxes, multiplied by the lesser of:

(1) \$350,000.00; or

(2) the assessed value of the dwelling reduced by the amount of any assessment on which a City property tax credit is granted under Section 9-105; and reduced by any "save harmless" credit mandated under Section 9-101 of the Tax-Property Article of the Maryland Code.

C. General.

1) The Director shall provide to eligible homeowners a City property tax credit as provided in this Article to supplement the State homeowners property tax credit granted under Section 9-104.

(2) Except as otherwise expressly stated in this section, all eligibility requirements, statutory definitions, restrictions, application or other procedures which apply to the credit granted under Section 9-104 of the Tax-Property Article also apply to the City homeowners property tax credit provided for in this Article.

(3) A property tax credit under this section may not be granted to a homeowner whose combined net worth exceeds two hundred thousand dollars (\$200,000.00) as of December 31st of the calendar year that precedes the year in which the homeowner applies for the property tax credit, or whose combined gross income exceeds eighty thousand dollars (\$80,000.00) in that same calendar year.

D. Amount.

(1) A homeowners tax credit local supplement shall be allowed to eligible homeowners against the total City real property tax paid by the eligible homeowner for the taxable year in which the homeowners tax credit supplement is sought in the amount provided for herein.

(2) The amount of the homeowners property tax credit is the Total Eligible City Real Property Tax on a dwelling less:

(a) the percentage of the combined gross income of the homeowner stated in 9-104(h)(2) or any amendment to that subsection, and

(b) 15% of the State homeowners property tax credit granted under Section 9-104.

(3) The property tax credit for home purchasers is the amount of the credit as calculated under paragraph (D)(2) immediately above multiplied by a fraction where the numerator of the fraction is the number of days in the taxable year that the home purchaser actually occupies or expects to actually occupy a dwelling in which the home purchaser has a legal interest, and the denominator is 365 days.

(4) If a credit is granted under this section, a revised tax bill or a tax voucher may be used to adjust the final tax liability.

(5) Notwithstanding the foregoing, the amount of the homeowner's tax credit local supplement authorized by this Article shall not exceed the total City real property tax liability of the eligible homeowner for the taxable year in which the homeowner's tax credit local supplement is sought.

E. Administration.

The City Administrator is responsible for the administration and management of the Homeowners Property Tax Credit program. The City Administrator may take all actions necessary in furtherance of said responsibility including, but not limited to:

(a) establishing policies and procedures;

(b) delegating responsibility to appropriate City departments, offices, and staff;

(c) entering into agreements with the State Department of Assessments and Taxation, Prince George's County, Maryland and other governmental entities or other persons or entities for the

cooperation and/or maintenance of one or more aspects of the Homeowners Property Tax Credit program.

F. Penalties for false and fraudulent information.

A person who knowingly submits a false or fraudulent application, or withholds information, to obtain tax credit under this section has committed a misdemeanor. In addition, the person must repay the City for all amounts credited and all accrued interest and penalties that would apply to those amounts as overdue taxes. The City may enforce this subsection by appropriate legal action. A person who violates this subsection is liable for all court costs and expenses of the City in any civil action brought by the City against the violator.

§108-4 REVITALIZATION TAX CREDIT

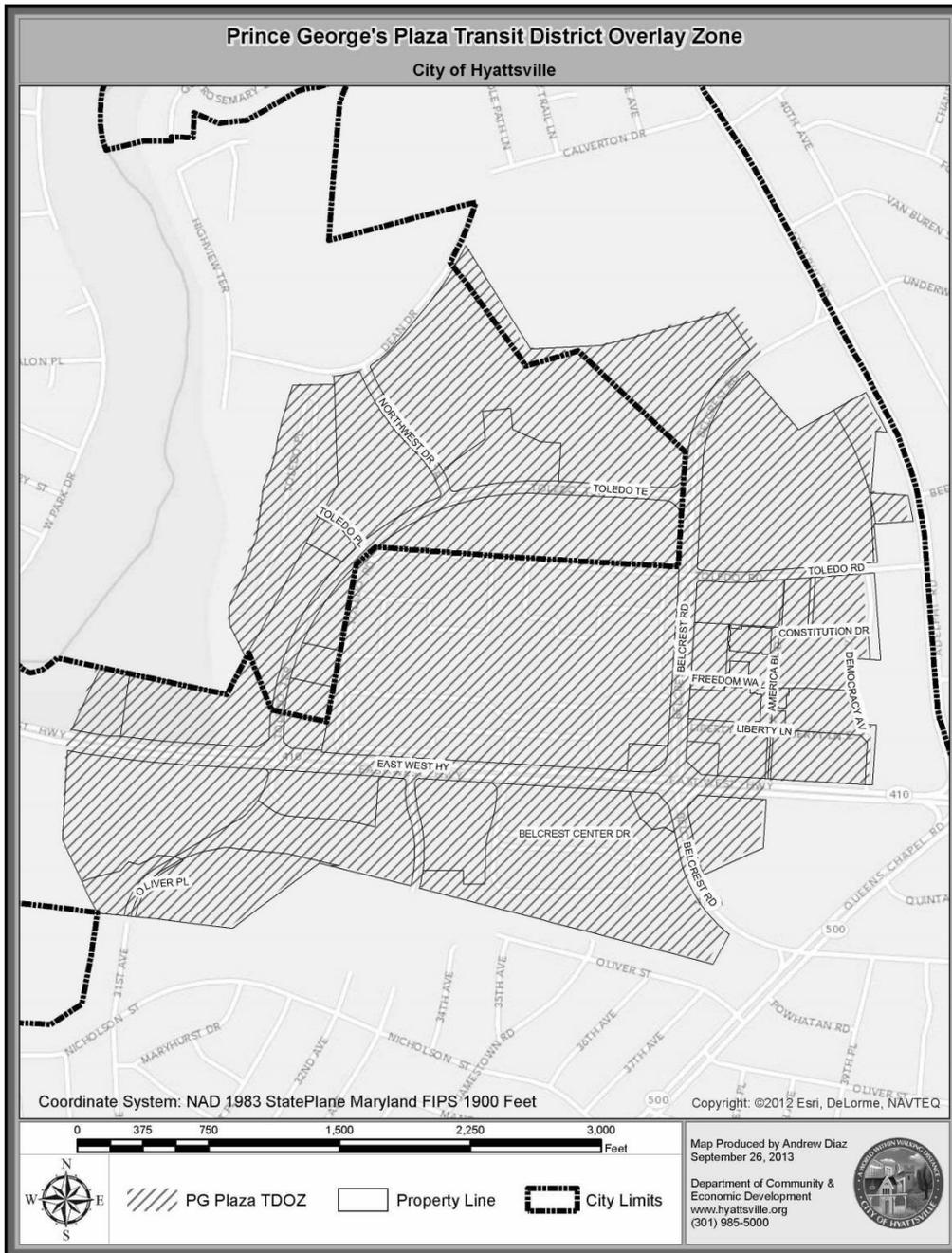
A. PURPOSE. The purpose of the City’s Revitalization Tax Credit Program is to provide financial incentives to encourage economic development and redevelopment in the City by creating revitalization districts.

B. AUTHORITY TO ESTABLISH REVITALIZATION TAX CREDIT DISTRICTS. The City Council may establish one (1) or more Revitalization Tax Credit districts. A Revitalization Tax Credit district may be established within an existing development district overlay zone, transit district overlay zone or State of Maryland designated Arts and Entertainment districts.

C. REVITALIZATION TAX DISTRICTS ESTABLISHED. The following districts are established:

- (a) Prince George’s Plaza Transit District Overlay Zone: Real property located within the municipal limits of the City of Hyattsville and within the Prince George’s Plaza Transit District

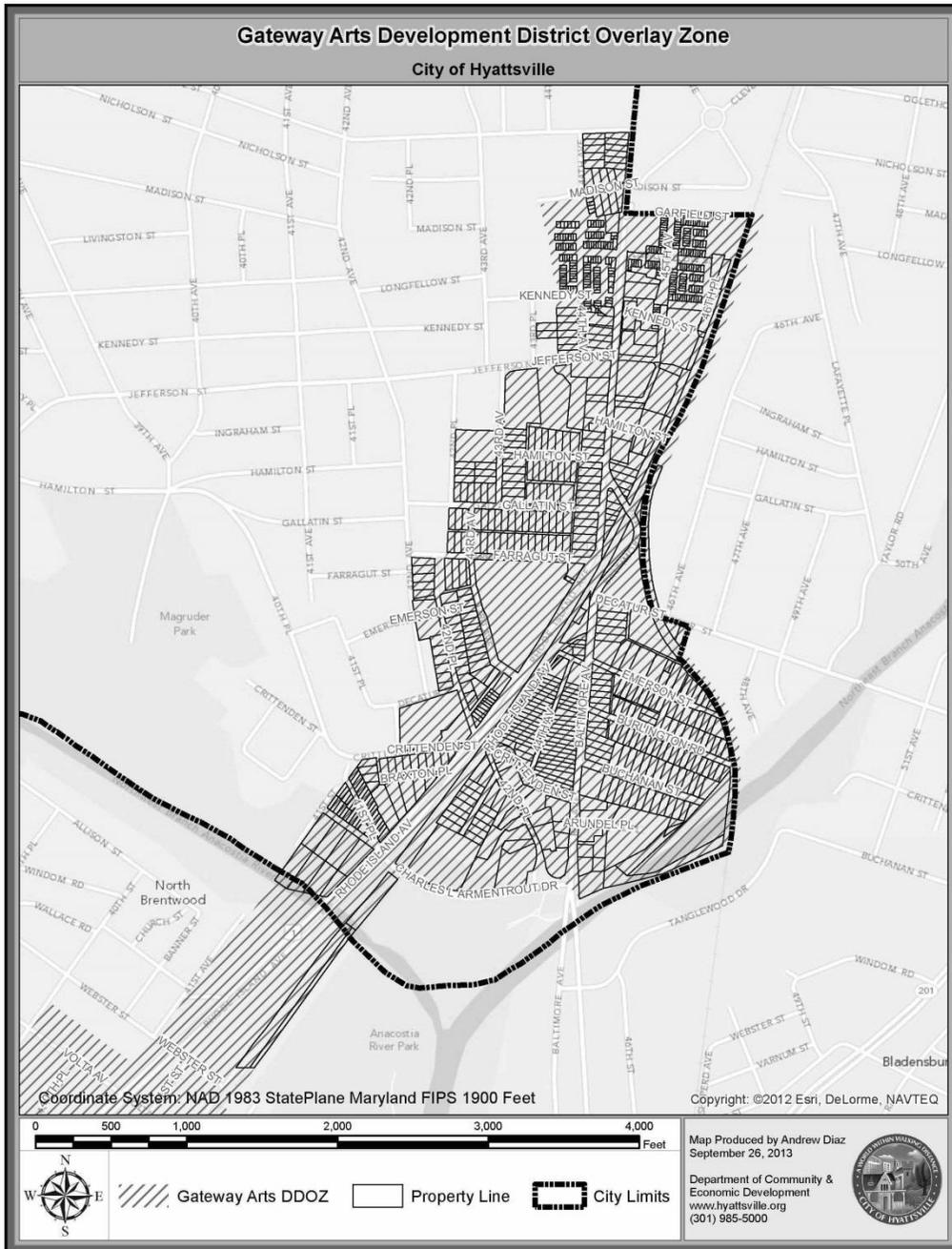
Development Plan as illustrated immediately below:



(b) West Hyattsville Transit District Overlay Zone: Real property located within the municipal limits of the City of Hyattsville that and within the West Hyattsville Transit District Development Plan as illustrated immediately below:



(c) Gateway Arts District Arts & Entertainment District: Real property located within the municipal limits of the City of Hyattsville and within the State of Maryland Designated Gateway Arts & Entertainment District as illustrated immediately below:



- A. **AUTHORITY TO GRANT A TAX CREDIT FOR REAL PROPERTY LOCATED IN A REVITALIZATION TAX CREDIT DISTRICT.** In conformance with the limitations and eligibility criteria established in this Section, the City Council may by resolution grant in its reasonable discretion a property tax credit against the City's real property tax imposed on real property located within a revitalization district if the property is substantially improved, constructed upon or redeveloped and is reassessed as a result of the improvement, construction or redevelopment at a substantially higher value than that assessed prior to the improvement, construction or redevelopment. For any proposed improvement, construction or development the City Council may set a deadline as appropriate for the proposed improvement, construction or redevelopment to commence construction, or completion date, or other conditions as applicable to the particular improvement, construction or redevelopment.
- B. **TAX CREDIT LIMITATIONS.** An eligible property may receive a tax credit on all or part of those City real property taxes imposed on the property, but only those real property taxes which are attributable to or based on the increased assessment resulting from the taxable improvements, construction or reconstruction upon project completion. The duration of the tax credit granted shall not exceed ten (10) years.
- C. **ELIGIBILITY REQUIREMENTS.** To be eligible for the tax credit, a property must meet the following eligibility requirements:
1. Improvements must include new construction, reconstruction, infill development, redevelopment, revitalization, or rehabilitation of residential (excluding single family detached), commercial, hospitality, office, existing parking lots, or mixed-use properties.
 2. The applicant must be in good standing with the City. In order to be in good standing, applicants may not have any outstanding Code violations from any governmental entities, or be delinquent on any payments including, but not limited to, trash bills, permit fees and payable to federal, State, County entity or the City.
 3. Projects are ineligible for this program if they are located within a tax increment financing district at the time of application.
 4. The project is consistent with mission and goals of the City and of sufficient impact and benefit to the City and its citizens to justify extending a tax credit.
- D. **APPLICATION PROCESS.**
1. An application for a City tax credit shall be submitted to the City during the planning phase of the project and in no event later than the submission of a building permit application to Prince George's County.
 2. The application shall demonstrate that all eligibility requirements have or will be met and shall include the estimated value of the completed improvements and any additional information requested by the City as well as the amount of the tax credit sought. All

plans associated with the detailed site plan or building permit shall be submitted with the application, if applicable, including a legal description of the property.

3. The fee for submitting an application shall be one thousand dollars (\$1,000.00).
4. Upon receipt and acceptance of a completed application, the City's Community and Economic Development department will refer a copy of the application to the City Administrator. City staff will provide a recommendation to the City Council as to whether to grant within sixty (60) days of the receipt of the completed application.
5. Upon providing such recommendation, the City shall promptly hold a public hearing on the project and the staff recommendations prior to introducing any resolution regarding the revitalization tax credit for the proposed project.

CITY COUNCIL RESOLUTION. A City Council resolution approving and providing the tax credit awarded must be passed by the Council stating the amounts and terms. The tax credit shall not be effective until the submission to the City of evidence of compliance with any City agreement, contingency, condition or required certifications and such other information or documentation as the City staff may reasonably require. Upon the City's examination of the evidence of compliance submitted on behalf of the project, the City will issue a certificate to the property owner that confirms the parcel's tax credit status. The credit may be in the form of a rebate of taxes or a decreased tax rate at the City's discretion.