

**AN ORDINANCE TO PROVIDE PROPERTY TAX CREDITS
FOR IMPROVEMENTS TO SPECIFIED HISTORIC
STRUCTURES IN WASHINGTON COUNTY, MARYLAND**

WHEREAS, Washington County has the authority to tax real property and to grant credits against real property taxes.

WHEREAS, the authority to grant property tax credits is contained in 9-204 of the Tax-Property Article of the Annotated Code of Maryland.

WHEREAS, Washington County, Maryland has a rich architectural and cultural resource as evidenced by a variety of architectural styles in a multitude of surviving physical structures.

WHEREAS, as Washington County, Maryland desires to preserve said rich architectural and cultural history for the general benefit, knowledge and well being of the community.

WHEREAS, the Board of County Commissioners for Washington County has exercised its authority under Article 66B, Section 8.01-8.15 and created an Historic District Commission empowered to regulate the construction, alteration, reconstruction, expansion, moving, and demolition of specified historic structures in "HP" Historic Preservation zoning districts.

WHEREAS, real property tax credits for historic preservation activities are proven and appropriate methods of encouraging continued preservation, restoration, and construction of architecturally compatible structures.

WHEREAS, the County Commissioners of Washington County desire to further encourage preservation and protection of

historic structures by offering proven incentives to real property owners in the form of real property tax credits for historic preservation activities.

WHEREAS, a public hearing was held on April 3, 1990, following due notice and advertisement of the text of the Ordinance; and

WHEREAS, public comment was received, reviewed, and considered concerning the aforesaid Ordinance:

NOW, THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Washington County, Maryland, as follows:

WASHINGTON COUNTY REAL PROPERTY TAX CREDITS

1. Real property tax credits for improvements in "HP" Historic Preservation zones and "AO" Antietam Overlay Zones.

A. Property tax credit of 10% --There shall be allowed a tax credit on Washington County real property taxes based upon the amount expended by a real property owner-taxpayer, after July 1, 1990, for restoration and preservation of any structure having historic value which lies within the boundaries of any historic district in Washington County, Maryland, established under the authority of Section 8.01 et seq., Article 66B, Annotated Code of Maryland, or which lies within the boundaries of the "AO" Antietam Overlay Zone and which is included on the Maryland Historic Sites Survey. The tax credit on Washington County real property tax shall be in an amount equal to ten percent (10%) of the owner's expense for such restoration and preservation as documented according to Historic District Commission Guidelines.

B. Property tax credit of 5% -- There shall be allowed a tax credit on Washington County real property taxes based upon the amount expended by a real property owner-taxpayer after July 1, 1990 for new construction attached to an existing structure on lands within any historic district in Washington County, Maryland, established under the authority of Section 8.01 et seq., Article 66B, Annotated Code of Maryland, or which lies within the boundaries of the "AO" Antietam Overlay Zone and which is included on the Maryland Historic Sites Survey. The new construction must be determined to be architecturally compatible with an existing structure having historic value which is located within the same district. The real property tax credit shall be in an amount equal to five percent (5%) of the owner's expense of the cost of construction of an architecturally compatible new structure attached to an existing structure as documented according to Historic District Commission Guidelines.

2. The restoration, preservation, and new construction activities referred to in this Ordinance shall be in conformance with The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings and subsequent revisions by The Washington County Historic District Commission.

3. Activities Eligible for Consideration.

(1) Construction activities eligible for consideration for real property tax credits are those identified in Article 20, Section 20.6 of the Washington County Zoning Ordinance. Other activities considered eligible for tax credits are those

described by the U.S. Internal Revenue Service (Publication 530 and subsequent revisions) as "improvements", which materially add to the value of the structure, considerably prolongs its useful life, or adapts it to a new use.

(2) Preservation or construction activities to be considered for tax credits may be approved by the Historic District Commission before construction begins.

(3) Preservation or construction activities must be inspected by the Historic District Commission or its designate before the application for tax credits will be acted upon.

4. The tax credit referred to in this Ordinance shall be given for the tax year immediately following the tax year in which the restoration or preservation work or new construction, or any portion thereof, is completed. The tax credit shall be in the form of a refund or waiver of any or all taxes that are due and paid to the Treasurer.

5. A claim may be granted if filed within five years of the completion, and in the event taxes were paid for the period of the credit, the County Treasurer would be authorized to effectuate a refund. Any unused portion of a credit granted may be carried over to subsequent years within the same five year period beginning at the completion of construction.

6. Application for the tax credit referred to in this Ordinance shall be made to the Washington County Historic District Commission. The tax credit application shall not be finally approved until the appropriate documentation, on forms

prescribed and provided by the Commission, are supplied accompanied by the oath or affirmation of the owner-taxpayer, that the records are those for the actual expenditures in connection with the restoration and preservation of the structure, or the new construction within an Historic Preservation of "HP" zone or the "AO" Antietam Overlay Zone.

7. The Commission shall determine, from the improvements submitted, which ones are eligible for tax credits and forward its findings to the County Treasurer within 45 days of receipt. The County Treasurer will issue a refund to the applicant within 30 days of receipt. The Commission will not determine the dollar amount of the tax credit to be granted nor will it be judging whether or not the cost of the improvements paid by the property owner was appropriate or not.

8. In the event there are unused portions of a granted tax credit and the owner-taxpayer wishes to receive additional refunds in subsequent tax years as specified in Paragraph 3-(2) above, the owner-taxpayer must initiate a new application for each year that an unused portion of the tax credit remains available.

9. BE IT ORDAINED that this Ordinance shall become effective upon adoption.

Adopted this 15th day of May, 1990.

ATTEST:

Jay L. Bittner

BOARD OF COUNTY COMMISSIONERS
OF WASHINGTON COUNTY, MARYLAND

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