

Office of the County Auditor
Auditor's Analysis

Council Resolution No. 155-2021

Introduced: October 4, 2021

Auditor: Melanie A. Bishop

Fiscal Impact:

The fiscal impact of this legislation cannot be determined; however, using the historic average real property tax abatements over the past five years, the amount of tax credits associated with this Resolution is estimated to be \$77,364, as noted in the table below.

Estimated Tax Credits	County Code Sections			
Years	20.112*	20.113*	20.118*	Grand Total
Year 1	\$ 5,093	\$ 3,729	\$ 6,997	\$ 15,819
Years 2 - 5	-	14,915	27,986	42,901
Years 6 - 10	-	18,644	-	18,644
Total	\$ 5,093	\$37,288	\$34,983	\$ 77,364

*This table assumes the Section 20.112 tax credit will be fully recognized in one year, the Section 20.113 tax credit will be received over its 10-year eligibility period, and the Section 20.118 tax credit will be received over its 5-year eligibility period.

Individuals with properties on the Historic Inventory List can seek approval and apply for the following tax credits:

- Howard County Code §20.112 – Historic Tax Credit for Qualified Expenses grants a property tax credit to the owner for 25 percent of qualified expenses due to restoration and preservation of the historic property,
- Howard County Code §20.113 – Historic Tax Credit for Increased Assessed Value grants a property tax credit annually for up to ten years based on an increase in assessed value from restoration of a property, and
- Howard County Code §20.118 – Historic Site Sprinkler Systems grants a five-year property tax credit of 10 percent of the cost of installation of a sprinkler system.

Purpose:

The purpose of this legislation is to supplement and amend the Historic Sites Inventory by adding two properties to the Inventory and amending address information related to thirteen properties already in the Inventory.

Other Comments:

The reasons for address changes in this legislation vary. According to the Department of Planning and Zoning (DPZ), when DPZ is made of aware of these changes it informs the Council so that the records are accurate. Address changes do not require additional resources or have any fiscal impact to the County.

Both historic properties in this legislation, Treakle Farm and Duvall Family Farm, are included and searchable by address in the state's historical trust database. The state's database, Medusa, Maryland's Cultural Resource Information System, can be accessed at <https://mht.maryland.gov/secure/Medusa/Search.aspx> .