



CITY OF LAUREL, MARYLAND

ORDINANCE NO. 2030

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF LAUREL, MARYLAND TO ADD A NEW SECTION 16-13 TO THE LAUREL CITY CODE, CHAPTER 16 "TAXATION", ARTICLE I "IN GENERAL" SECTION 13 "PUBLIC SCHOOL EMPLOYEE TAX CREDIT PROGRAM" AND TO PROVIDE AN EFFECTIVE DATE.

Sponsored by the City Council President.

WHEREAS, the Mayor and City Council of Laurel, Maryland propose to add to the Laurel City Code in accordance with the addition made by the State of Maryland of Section 9-272 of the Tax Property Article of the Annotated Code of Maryland effective June 1, 2024, and

WHEREAS, the Mayor and City Council of Laurel, Maryland recognize the value and importance of having teachers and other public-school staff who are charged with educating and caring for the children that reside in the City be residents of the City themselves, and

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Mayor and City Council of Laurel, Maryland that Laurel City Code, Chapter 16 "Taxation," Article I, Section 16-13 "Public School Employee Tax Credit Program" shall be and hereby is added as follows:

Sec. 16-13. Public School Employee Tax Credit Program.

- (a) As authorized by the provisions of Annotated Code of Maryland Tax-Property Article, § 9-272, the City shall allow a property tax credit against City real property taxes imposed on a dwelling located within the corporate limits of the City that is owned and is the primary dwelling of an eligible individual, as that term is defined below. For purposes of this section a "dwelling" has the meaning stated in Annotated Code of Maryland Tax-Property Article, § 9-105, "Homestead Property Tax Credit.
- (b) Eligibility. An individual is eligible to receive a real property tax credit if:
 - (1) The individual is a current full-time employee of the Prince George's County Public School System facility located within the Greater Laurel Area for at least two (2) years.
 - (2) "Greater Laurel Area" means a facility owned by the Prince George's County Public School System that carries a Laurel, Maryland postal address.
 - (3) "Eligible Employee" does not include individuals who supply goods or services to the Prince George's County Public School System on a contractual basis.

- (4) With regard to the dwelling for which a property tax credit is sought, an eligible individual, as described in subsection (b)(1) above: (i) has resided in the same dwelling for at least the entire taxable year; (ii) the dwelling is the individual's primary residence (iii) the dwelling is located within the corporate limits of the City; and (iv) the dwelling has a maximum assessed value of five hundred thousand dollars (\$500,000.00) at the time the individual first applies for the credit, a maximum value that shall increase annually on July 1 of each year by the lesser of (a) the Consumer Price Index (CPI) for the preceding calendar year, or (b) three percent (3%).
 - (5) The property for which the tax credit is sought shall be inspected prior to approval to assure that the property complies with all City property maintenance codes.
- (c) Amount and duration of credit. The credit allowed under this section shall be twenty (20) percent of the City property tax imposed on the dwelling not to exceed \$2,500.00 per taxable year. The credit shall be granted each year as long as the individual remains eligible for the credit — to include remaining an owner and occupying the dwelling, and the dwelling remains in compliance with the City's property maintenance code. Should the individual receiving the credit become ineligible for the credit (by sale of the property or otherwise), or the dwelling to which the tax credit applies fails to comply with the City's property maintenance codes, the tax credit shall be revoked.
- (d) A real property tax credit shall not be allowed under this Section if in any taxable year the real property has otherwise been granted any other tax credit or exemption allowed under the Annotated Code of Maryland, Tax-Property Article, or the City Code.
- (e) Application for the tax credit, and subsequent year re-certification, established herein shall be made under oath on an application provided by the City's Director of Budget and Personnel Services. The application shall: (i) include a legal description of the property; (ii) identify all state, county and City tax credits and exemptions that currently apply to the property, including any tax credits or exemptions for which the owner may be applying for concurrently with the application; and (iii) include the property owner's name, proof of employment with the Prince George's County Public School System and such other information or documentation as the Director of Budget and Personnel Services may require to determine whether the applicant qualifies for the tax credit.
- (f) The Director of Budget and Personnel Services shall provide an annual report to the Mayor and City Council on the real property tax credit program established within this section of the City Code on or before December 31 of each year for the previous fiscal year, to include:
 - (1) The number of applications received in each Ward of the City;
 - (2) The number of applications denied in each Ward of the City;
 - (3) The number of applications approved in each Ward of the City;
 - (4) The total value of the tax credits approved in each Ward of the City.

AND, BE IT FURTHER ENACTED AND ORDAINED, that this Ordinance shall take effect on **July 1, 2025**.

PASSED this ____ day of _____, 2024.

ATTEST:

SARA A. GREEN, CPM, CMC
City Clerk

JAMES KOLE
President of the City Council

APPROVED this ____ day of _____, 2024.

KEITH R. SYDNOR
Mayor