



Bill No. 24-11
Concerning: Establish a Historic Preservation Tax Credit
Introduced July 16, 2024
Revised: _____ Draft No. _____
Enacted: _____
Effective: _____
Expires: October 14, 2024
Frederick County Code, Chapter 1-8
Section(s) 467-470

COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

By: Council Member Renee Knapp on behalf of County Executive Jessica Fitzwater

AN ACT to: Establish a Historic Preservation Tax Credit.

Date Council Approved: _____ Date Transmitted to Executive: _____

Executive: _____ Date Received: _____

Approved: _____ Date: _____

Vetoed: _____ Date: _____

Date returned to Council by County Executive with no action: _____

By amending:

Frederick County Code, 1-8 Section(s) 467-470

Other: _____

Boldface
Underlining
[Single boldface brackets]
* * *

Heading or defined term.
Added to existing law.
Deleted from existing law.
Existing law unaffected by bill.

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The County Council of Frederick County, Maryland, finds it necessary and appropriate to amend the Frederick County Code to Establish a Historic Preservation Tax Credit.

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF FREDERICK COUNTY, MARYLAND, that the Frederick County Code be, and it is hereby, amended as shown on the attached Exhibit 1.

Brad W. Young, President
County Council of Frederick County,
Maryland

1 **ARTICLE XV: HISTORIC PRESERVATION TAX CREDIT**
2 **(§§ 1-8-467 — 1-8-470)**

3
4 **§ 1-8-467. ESTABLISHMENT.**

5
6 As authorized by, and subject to, the provisions set forth in the Annotated Code of
7 Maryland, Tax Property Article § 9-204, Frederick County, Maryland hereby establishes a
8 Frederick County Historic Preservation Tax Credit.

9
10 **§ 1-8-468. DEFINITIONS.**

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12 **CERTIFICATE OF ELIGIBILITY.** A certificate issued by the Commission, or
13 appropriate municipal commission, to the property owner of an eligible property, which
14 authorizes the Treasury Department to apply a historic tax credit to the eligible property.

15
16 **COMMISSION.** A Historic Preservation Commission within Frederick County,
17 Maryland created under the Annotated Code of Maryland, Land Use Article § 8-201.

18
19 **ELIGIBLE PROPERTY.** A historic property or landscape feature that is:

20
21 (1) Designated on the County Register of Historic Places; or

22
23 (2) Individually designated or located within a local historic district in Frederick
24 County that has been determined by a Commission to be of historic or architectural significance.

25
26 **ELIGIBLE WORK.** The repair or replacement of exterior features of the building or
27 structure; work that is necessary to maintain the physical integrity of the building or structure
28 regarding safety, durability, or weatherproofing; maintenance of the exterior of the building or
29 structure, including routine maintenance; and repair or replacement of historic landmark features
30 such as masonry walls, fences, or other site features, if determined to be of historic or
31 architectural significance.

32
33 Eligible work must have prior County or municipal Historic Preservation Commission
34 approval and all relevant building and construction permits, if applicable, unless the project is
35 eligible for administrative approval or considered routine maintenance.

36
37 **QUALIFIED EXPENSES.** The amount of money paid by the property owner of an
38 eligible property to a licensed contractor, architect, engineer, or historic preservation consultant
39 for eligible work, or for materials used to complete eligible work.

40
41 Qualified expenses must total at least \$500 and must not be funded by any local or state
42 grants or loans.

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1 **§ 1-8-469. ELIGIBILITY, DURATION AND AMOUNT.**

2

3 (A) The property owner of an eligible property is eligible for the historic preservation
4 tax credit and may apply for the credit for a period of up to five years per eligible project. If the
5 tax credit for any one year exceeds the amount of the County real property bill for that year, the
6 balance may be carried forward until depleted for up to five years. However, if the property
7 becomes no longer an eligible property, any unused credit shall lapse.

8

9 (B) Qualified expenses shall be incurred on or after July 1, 2023 and within two tax
10 years prior to the date of application for the credit.

11

12 (C) The tax credit shall be 25% of the property owner's qualified expenses.

13

14 (D) The total tax credit may not exceed \$7,500 per year.

15 **§ 1-8-470. APPLICATION FOR TAX CREDIT.**

16

17 (A) On or before the first day of April immediately preceding the taxable year for
18 which the tax credit is sought, the property owner shall submit an application to the Commission,
19 or the appropriate municipal commission. The application shall include:

20

21 (1) Copies of any permits;

22

23 (2) Expense receipts;

24

25 (3) Photographs of the property prior to the eligible work;

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27 (4) Photographs of the property after the eligible work;

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29 (5) Any other records documenting the completion of the eligible work; and

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31 (6) Failure to include all items listed in (A) will result in denial.

32

33 (B) The Commission, or appropriate municipal commission, shall review the
34 application. Upon review of the application, if the claimed expenses qualify as eligible work on
35 an eligible property, the Commission, or appropriate municipal commission, shall issue a
36 certificate of eligibility to the property owner. A determination regarding a qualification of a
37 property or of renovation or construction expenses by the Commission is not subject to appeal.

38

39 (C) The Commission or appropriate municipal historic preservation commission must
40 transmit all approved applications to the County Treasurer, including the certificate of eligibility,
41 by May 15 immediately preceding the taxable year for which the tax credit is sought.

42

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1 (D) Upon receipt of the approved applications, the County Treasurer shall apply the
2 tax credit to the appropriate tax bill.

3 (E) The County Treasurer may adopt guidelines, regulations, or procedures to
4 administer this section.

5 (F) The tax credit is non-transferable to a new property owner.

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