

## **Title 3**

### **REVENUE AND FINANCE**

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#### **Chapter 3.04**

#### **CLAIMS FOR REFUNDS**

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#### **3.04.010 Compliance with provisions required.**

In the presentation of claims for refunds of city charges, assessments or taxes erroneously or mistakenly paid to the city, the provisions of this chapter shall be complied with.

(Prior code § 6-1)

#### **3.04.020 Time limit for filing claim.**

No claim for a refund under this chapter shall be allowed as to any charges, assessments or taxes paid more than three years prior to the filing of such claim for refund.

(Prior code § 6-2)

#### **3.04.030 Form of claim--Contents.**

All claims for refunds under this chapter shall be made in writing and addressed to the director of internal services. The claim shall specify the date of such erroneous payment and the amount thereof and shall

detail the reasons why the payment is believed to have been made erroneously. All such claims shall be verified by the affidavit of the claimant.

(Ord. 1992 (part), 2006: prior code § 6-3)

#### **3.04.040 Investigation and report concerning claim--Hearing.**

The director of internal services shall promptly make an investigation of any claim made under this chapter and shall submit a written report thereon to the council. Upon the receipt of such written report, the council shall hold a hearing on the claim in regard to which the report was filed.

(Ord. 1992 (part), 2006: prior code § 6-4)

#### **3.04.050 Allowance or disallowance of claim--Notification.**

If, after investigation and hearing in accordance with Section 3.04.040 of this chapter, the council shall determine that such claim is just and proper and that it should be allowed in whole or in part, the council shall notify the director of internal services, and the claim for refund shall be allowed; otherwise the same shall be disallowed. Notice of the action of the council in allowing or disallowing such claim for refund shall be given to the taxpayer making such claim by ordinary mail.

(Ord. 1992 (part), 2006: prior code § 6-5)

#### **3.04.060 Interest on claims allowed.**

Should a claim for refund made under the provisions of this chapter be granted in whole or in part, the council may allow interest on that portion of the claim ordered to be refunded; provided, that such erroneous payment was not due to any negligence on the part of the claimant.

(Prior code § 6-6)

#### **3.04.070 Refund prohibited when final assessment made.**

No refund under this chapter shall be made or approved in any case in which it appears that an assessment upon which taxes were levied and collected has become final and has not been modified on appeal as provided by law.

(Prior code § 6-7)

#### **3.04.080 Refund applied to outstanding charges, assessments or taxes of claimant.**

Should any claimant for refund under this chapter have any other charges, assessments or taxes open and due to the city, then any refund granted under the provisions of this chapter should be first applied to the payment of such other open and due charges, assessments or taxes.

(Prior code § 6-8)

### **Chapter 3.08**

### **PERSONAL PROPERTY TAXES**

Sections:

**3.08.010 Director of internal services authorized to estimate assessments--Payment of estimated tax bills.**

**3.08.020 Director of internal services authorized to collect fee.**

**3.08.030 Personal property subject to property tax.**

**3.08.040 Word usage.**

**3.08.050 Effective date.**

**3.08.010 Director of internal services authorized to estimate assessments--Payment of estimated tax bills.**

Pursuant to the authority of Article 81, § 49B, of the Annotated Code of Maryland, 1980 Replacement Volume, and 1983 Supplement, as amended, the director of internal services be and he is authorized and directed to estimate assessments in cases where the State of Maryland Department of Assessment and Taxation fails to notify the director of internal services of such assessment on or before September 1st of any year, so as to provide for the payment of tangible personal property taxes imposed by Article 81, § 8(2) of the Annotated Code of Maryland, not in excess of an amount determined by applying the current rate to the assessment for the last preceding year for which such assessment is available. Notwithstanding any provision to the contrary, estimated tax bills rendered on the basis of the assessment for the last preceding year for which such assessment is available shall be subject to such interest and penalties as have been established pursuant to Article 81, § 48(a) and (b), of the Annotated Code of Maryland. If the amount so paid is less than the tax as finally determined, the taxpayer shall be billed for the difference; and if the amount so paid is greater than the tax as finally determined, the taxpayer shall be refunded the difference, with interest. Any bill rendered for an additional amount, as finally determined under the provisions of this section, if not paid within thirty (30) days thereof, shall be subject to such interest and penalties as may be established by ordinance of the mayor and city council.

(Ord. 1992 (part), 2006: prior code § 140-1)

**3.08.020 Director of internal services authorized to collect fee.**

Pursuant to the authority of Article 81, § 49C, of the Annotated Code of Maryland, 1980 Replacement Volume and 1983 Supplement, as amended, the director of internal services be and he is authorized and directed, in cases where a business begins doing a business or an existing business expands to a new location in the city of Salisbury after the date of finality for any particular year and does not own real property in the city of Salisbury, the business, to ensure payment of the personal property tax and collect a fee of sixty dollars (\$60.00). The fee paid by the taxpayer shall be a credit toward the city of Salisbury personal property tax of the taxpayer; and when the personal property tax of the taxpayer is finally determined, the taxpayer shall pay the remaining personal property tax due or may claim a refund of the excessive tax paid.

(Ord. 1992 (part), 2006: prior code § 140-2)

**3.08.030 Personal property subject to property tax.**

The personal property, being the stock in business of a person engaged in manufacturing or commercial business (formerly referred to as "commercial inventory"), shall be subject to a city of Salisbury property tax on forty-five (45) percent of its assessment.

(Prior code § 140-3)

**3.08.040 Word usage.\***

The terms used in this chapter shall have the same meanings as defined in the Tax-Property Article of the Annotated Code of Maryland.

(Prior code § 140-4)

\* Editor's Note: See in particular § 7-101 et seq. of the Tax-Property Article of the Annotated Code of Maryland.

### **3.08.050 Effective date.**

This chapter is effective July 1, 1991, and is effective for the tax years 1991--1992, and future tax years, unless changed by resolution of the city council.

(Prior code § 140-5)

## **Chapter 3.12**

### **ADMISSIONS AND AMUSEMENT TAX**

Sections:

**3.12.010 Imposition of tax.**

**3.12.020 Additional tax on reduced charges and free admissions.**

#### **3.12.010 Imposition of tax.**

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 four and one-half (4 ½) percent; except that gross receipts derived from charges for admission to motion-picture theaters shall be taxed at the rate of five percent.

(Prior code § 140-6)

#### **3.12.020 Additional tax on reduced charges and free admissions.**

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.

(Prior code § 140-7)

## **Chapter 3.16**

### **REAL ESTATE TAXES PAID SEMIANNUALLY--FEES AND INTEREST**

Sections:

**3.16.010 Fees and interest charged on real estate taxes.**

#### **3.16.010 Fees and interest charged on real estate taxes.**

The city of Salisbury shall charge the following fees and interest to those taxpayers who elect to pay real estate taxes on a semiannual basis:

- A. Five percent of the second installment amount for lost interest shall be the interest charged for four months from October to January.
- B. An administrative fee of twenty-five (25) percent of the lost interest charged shall also be assessed.

The above fees and interest shall be paid upon the payment of the second installment.  
(Ord. 1635, 1996)

## **Chapter 3.18**

### **BROWNFIELDS PROPERTY TAX CREDIT**

Sections:

**3.18.010 Brownfields property tax credit.**

#### **3.18.010 Brownfields property tax credit.**

A. Pursuant to the authorization contained in Section 9-229, Tax-Property Article, Annotated Code of Maryland, the city of Salisbury elects to participate in the Brownfields Revitalization Incentive Program established under Title 3, Subtitle 9, Article 83A, Annotated Code of Maryland, and to provide a brownfields property tax credit for the taxable year beginning July 1, 1998.

B. There is a city of Salisbury brownfields property tax credit against the tax on real property of a qualified brownfields site as defined in Subsection 3-901(b), Article 83A, Annotated Code of Maryland, in an amount equal to seventy (70) percent of the property tax attributable to the increase in the assessment of the qualified brownfields site, including improvements added to the site during the credit period, over the assessment of the qualified brownfields site before the voluntary cleanup or corrective action plan.

C. The credit shall apply in each of the five taxable years immediately following the first revaluation of the property after completion of a voluntary cleanup or corrective action plan of a qualified brownfields site.

D. The credit is subject to the requirements and limitations set forth in Section 9-229 of the Tax-Property Article, Annotated Code of Maryland.

E. Pursuant to the requirement contained in Subsection 9-229(e), Tax-Property Article, Annotated Code of Maryland, for each year of the credit period the city of Salisbury shall contribute to the Brownfields Revitalization Incentive Fund established under Section 9-304, Article 83A, Annotated Code of Maryland, an amount equal to thirty (30) percent of the property tax attributable to the increase in the assessment of the qualified brownfields site during the credit period over the assessment of the qualified brownfields site before the voluntary cleanup or corrective action plan.

F. Notwithstanding subsection C of this section, for a site located in an enterprise zone designated under Subtitle 4, Title 5, Article 83A, Annotated Code of Maryland, the credit shall apply in each of the ten taxable years immediately following the revaluation of the property after completion of a voluntary cleanup or corrective action plan of a qualified brownfields site.

(Ord. 1670, 1997)

## Chapter 3.20

### HOMEOWNER CONVERSION TAX ABATEMENT PROGRAM

Sections:

**3.20.010 Definitions.**

**3.20.020 Tax abatement.**

#### **3.20.010 Definitions.**

As used in this chapter, the following terms shall have the meanings indicated:

"Applicant" means an owner of a qualified residence who applies for the tax abatements described herein.

"Family" retains the meaning it is given under Title 17 herein.

"Owner" means an individual who has a legal interest in a dwelling.

"Program" means the homeowner conversion tax abatement program.

"Qualified residence" means any residence meeting the criteria established in Section 3.20.020 of this chapter and located within the corporate limits of the city of Salisbury.

"Residence" means:

1. A house that is:
  - a. A single-family detached dwelling arranged or designed for occupancy by only one family,
  - b. Occupied as the principal residence of the homeowner, and
  - c. Actually occupied or expected to be actually occupied by the homeowner for more than six months of a twelve (12) month period beginning with the date of finality for the taxable year for which the property tax abatement under this section is sought, unless the homeowner does not actually reside in a dwelling for the required time period because of illness or need of special care; and
2. The lot on which the house is erected.

(Ord. 1932 (part), 2005; Ord. 1922 (part), 2005)

#### **3.20.020 Tax abatement.**

- A. Residential real property that is converted from use exclusively as a rental property to use as an

owner-occupied family residence shall be subject to a tax abatement as described herein, if the applicant provides sufficient proof of the following:

1. The property has been used exclusively as a rental property for at least three years immediately prior to purchase by the applicant or was purchased from a person or entity that rehabilitated the property after rental use for three consecutive years;
2. The applicant purchased the property with the intent of converting the property to use as an owner-occupied family residence;
3. The applicant intends to occupy the home within one year of purchase as an owner-occupied family residence; and
4. The applicant agrees to continue to use the property as an owner-occupied family residence for the entire nine years of participation in the program, or sell it only to a person who will use it as an owner-occupied family residence until the expiration of the property's participation in the program, or pay the city for all taxes abated during the period of his ownership.

B. A qualified property that is used as an owner-occupied family residence shall be eligible for the following tax abatements:

1. A qualified residence shall be exempt from city property tax for five years.
  - a. If an applicant purchases a qualified property on or before December 31st, the current tax year will be the property's first year in the program.
  - b. If an applicant purchases a qualified property on or after January 1st, the following tax year will be the property's first year in the program.
2. In year six of participation in the program, the qualified residence shall be taxed at a rate equal to twenty (20) percent of the then-prevailing tax rate for residential real property in the city.
3. In year seven of participation in the program, the qualified property shall be taxed at a rate equal to forty (40) percent of the then-prevailing tax rate for residential real property in the city.
4. In year eight of participation in the program, the qualified property shall be taxed at a rate equal to sixty (60) percent of the then-prevailing tax rate for residential real property in the city.
5. In year nine of participation in the program, the qualified property shall be taxed at a rate equal to eighty (80) percent of the then-prevailing tax rate for residential real property in the city.
6. Thereafter, the qualified residence shall be taxed at the then-prevailing tax rate for residential real property in the city.

C. Termination of Participation in Program.

1. A residence's participation in the program is terminated when, before the end of an agreement made under subsection (A)(4) of this section, the residence subject to the agreement:
  - a. Ceases to be used as an owner-occupied family residence;
  - b. Is conveyed to a new owner, unless the new owner of a qualified residence accepts the obligations of an agreement made under this chapter; or
  - c. Otherwise fails to meet the criteria for a qualified residence under this chapter.
2. When a qualified residence's participation in the program is terminated, a property tax is due for each taxable year beginning with the first taxable year in which the qualified residence's owner received a tax abatement under this chapter.

D. Implementation.

1. To administer the program, the director of internal services of the city of Salisbury shall distribute and receive any forms that are required for application to the program, agreement to participate and an annual certification of qualification.
2. Each applicant shall file a certificate of qualification by April 1 of each year with the director of internal services in order to remain eligible for the tax abatement program.

(Ord. 1992 (part), 2006; Ord. 1932 (part), 2005; Ord. 1922 (part), 2005)