



Towson Mews

TOWSON, MARYLAND 21286

Baltimore County Revitalization Tax Credit Available to Towson Mews Purchasers

What exactly is the Baltimore County Tax Abatement?

- Maryland assesses real estate taxes on both land and improvements, and the County and State each comprise a component of the tax bill. The Baltimore County revitalization tax credit applies to the County portion of the tax bill.

What does that mean to me if I purchase at Towson Mews?

- Towson Mews residents will pay County real estate taxes only on the assessed value of their land and will not pay County taxes on the home (structure) value for the term of the tax credit.

How long is the tax credit?

- The tax credit has a minimum term of five years.

CURRENT TAX ASSESSMENT

- The State tax rate is \$0.112 per 100 and is based on the full assessment of the home and land.
- The County tax rate is \$1.10 per \$100 and is also based on the full assessment of the home and land.
- **EXAMPLE:** If the home you purchase is \$429,900 then normally your taxes would be assessed:
 - a. State Taxes $\$429,900 \times \$0.112 = \$481.48/\text{year}$
 - b. County Taxes $\$429,900 \times \$1.10 = \$4728.90/\text{year}$**TOTAL: \$5210.38/YEAR OR \$434.20/MONTH**

ASSESSMENT WITH TAX CREDIT

- The State tax rate is \$0.112 per 100 and is based on the full assessment of the home and land.
- The County tax rate is \$1.10 per \$100 and is based on the land value ONLY. The land value is \$75,000.
- **EXAMPLE:** If the home you purchase is \$429,900 then your taxes with the special credit will be:
 - a. State Taxes $\$429,900 \times \$0.112 = \$481.48/\text{year}$
 - b. County Taxes $\$75,000 \times \$1.10 = \$825.00/\text{year}$**TOTAL: \$1306.48/YEAR OR \$108.87/MONTH**

YOU WILL SAVE \$3903.90/YEAR FOR A GRAND TOTAL (OVER 5 YEARS) OF \$19,519.50!!

When does this start? How do I make sure that I will only pay the reduced amount?

- The tax credit period begins July 1st of the year following settlement on your home. Full real estate taxes for both County and State are assessed for the period between the date of closing and July 1 of the following year. Closings that take place prior to July 1st will be assessed without the tax credit and pro-rated based on the date of the closing. Once approved, the tax credit will take effect on the following July 1st. The five to ten year term for the tax credit will begin on July 1st of the year that the tax credit was granted.

What is I purchase later on in the community?

- Tax years commence on July 1st of each calendar year; therefore, the amount of taxes for the Property will be assessed without regard to the Tax Credit until the July 1st following settlement.

When does the tax credit begin for me?

- You will receive the full benefit of the five term which will be in effect from your date of closing.

What if I see my home during the tax credit period?

- The tax credit will be transferred to subsequent owners of the property for the remainder of the term.

Really? Why only Towson Mews?

- This is a special program that is part of the Revitalization Property Tax Credit application (pursuant to Baltimore County Code 11-2-202) for the townhomes to be constructed within the Towson Mews project. Baltimore County has granted and confirmed that the tax credit is available to the future owners of the homes within Towson Mews. Another way to describe the credit is that the homeowner gets a credit for and does not have to pay taxes on the improvements of the property over and above the land during the term of the tax credit.