

(H) (1) SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS SUBSECTION, THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY AND THE GOVERNING BODY OF BALTIMORE COUNTY SHALL ESTABLISH GUIDELINES PRECLUDING THE AVAILABILITY OF THE TAX CREDIT UNDER THIS SECTION IF THE RESIDENTIAL REAL PROPERTY IS PURCHASED THROUGH A FEDERAL OR STATE HOUSING ASSISTANCE PROGRAM.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE TAX CREDIT UNDER THIS SECTION MAY NOT BE DENIED IF:

(I) THE MORTGAGE LOAN IS GUARANTEED OR INSURED THROUGH THE DEPARTMENT OF VETERANS AFFAIRS, THE FEDERAL HOUSING ADMINISTRATION, THE RURAL HOUSING SERVICES, OR THE MARYLAND HOUSING FUND; OR

(II) THE MORTGAGE LOAN IS INTENDED TO BE PURCHASED BY THE FEDERAL NATIONAL MORTGAGE ASSOCIATION, THE FEDERAL HOME LOAN MORTGAGE ASSOCIATION, THE GOVERNMENTAL NATIONAL MORTGAGE ASSOCIATION, OR THE COMMUNITY DEVELOPMENT ADMINISTRATION WITHIN THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That on or before June 1, 1996, in accordance with § 2-1312 of the State Government Article, the Mayor of Baltimore City and the County Executive of Baltimore County shall submit a report to the Budget and Taxation Committee and the Ways and Means Committee of the General Assembly that identifies the neighborhoods selected and specifies the number of houses that will qualify for tax credits under this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That on or before October 1, 1998, in accordance with § 2-1312 of the State Government Article, the State Comptroller shall report to the General Assembly on the effect of this Act on income tax revenues and the Mayor of Baltimore City and the County Executive of Baltimore County shall report to the General Assembly on the impact of this Act on the neighborhoods that are targeted.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1996, and shall be applicable to all taxable years for income tax purposes beginning after December 31, 1996.

Approved May 23, 1996.

CHAPTER 591

(Senate Bill 601)

AN ACT concerning

Pensions – Death Benefits

FOR the purpose of providing for certain changes in the law that relate to death benefits for surviving spouses of certain deceased members of the Employees' Pension