

Chapter 967

(House Bill 1357)

AN ACT concerning

Howard County – Payment in Lieu of Taxes Agreements – Moderate Income Housing

Ho. Co. 8–24

FOR the purpose of authorizing certain owners of real property and the governing body of Howard County to enter into payment in lieu of taxes agreements for maintaining a certain number of moderate income housing units at the property; requiring the County Executive of Howard County to publish on the county’s website the methodology used to calculate the negotiated payment amount under a payment in lieu of taxes agreement authorized under this Act and to periodically reevaluate the methodology; prohibiting the governing body of Howard County from entering an agreement unless the negotiated payment amount for the agreement was determined in accordance with the methodology most recently published on the county’s website; and generally relating to payment in lieu of taxes agreements in Howard County.

BY adding to

Article – Tax – Property

Section 7–521

Annotated Code of Maryland

(2019 Replacement Volume and 2023 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Tax – Property

7–521.

(A) IN THIS SECTION, “MODERATE INCOME” AND “MODERATE INCOME HOUSING UNIT” HAVE THE MEANINGS STATED IN TITLE 13, SUBTITLE 4 OF THE HOWARD COUNTY CODE.

(B) IN HOWARD COUNTY, REAL PROPERTY MAY BE EXEMPT FROM COUNTY PROPERTY TAX IF:

(1) THE OWNER OF THE REAL PROPERTY AND THE GOVERNING BODY OF HOWARD COUNTY AGREE THAT THE OWNER SHALL PAY A NEGOTIATED AMOUNT IN LIEU OF THE COUNTY PROPERTY TAX; AND

(2) THE OWNER OF THE REAL PROPERTY ENTERS INTO AN AGREEMENT WITH THE GOVERNING BODY OF HOWARD COUNTY TO MAINTAIN A NUMBER OF RESIDENTIAL UNITS LOCATED AT THE REAL PROPERTY AS HOUSING FOR MODERATE INCOME HOUSEHOLDS THAT EXCEEDS THE MINIMUM NUMBER OF MODERATE INCOME HOUSING UNITS REQUIRED BY LOCAL ZONING LAWS IN EFFECT ON THE DATE OF THE AGREEMENT.

(C) REAL PROPERTY DESCRIBED IN SUBSECTION (B) OF THIS SECTION IS EXEMPT WHEN THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION ARE MET.

(D) (1) THE COUNTY EXECUTIVE OF HOWARD COUNTY:

(I) SHALL PUBLISH ON THE COUNTY'S WEBSITE THE METHODOLOGY TO BE USED FOR CALCULATING THE NEGOTIATED PAYMENT AMOUNT FOR AN AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION; AND

(II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, MAY REVISE AT ANY TIME THE METHODOLOGY PUBLISHED UNDER THIS PARAGRAPH.

(2) AT LEAST ONCE EVERY 5 YEARS, THE COUNTY EXECUTIVE OF HOWARD COUNTY SHALL REEVALUATE THE METHODOLOGY TO BE USED FOR CALCULATING A NEGOTIATED PAYMENT AMOUNT FOR A POTENTIAL AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION.

(3) IF ANY REVISIONS ARE MADE UNDER PARAGRAPH (1)(II) OR (2) OF THIS SUBSECTION TO THE MOST RECENTLY PUBLISHED METHODOLOGY, THE COUNTY EXECUTIVE OF HOWARD COUNTY SHALL PUBLISH THE REVISED METHODOLOGY ON THE COUNTY'S WEBSITE.

(E) THE GOVERNING BODY OF HOWARD COUNTY MAY NOT ENTER AN AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION UNLESS THE NEGOTIATED PAYMENT AMOUNT FOR THE AGREEMENT WAS DETERMINED IN ACCORDANCE WITH THE METHODOLOGY MOST RECENTLY PUBLISHED ON THE COUNTY'S WEBSITE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.

Approved by the Governor, May 16, 2024.