

Chapter 95

(House Bill 497)

AN ACT concerning

Property Tax Credit – Urban Agricultural Property – Repeal of Repayment Requirement

FOR the purpose of repealing a requirement that the owner of certain property repay all property taxes that would have been imposed if certain property tax credits had not been granted if the property ceases to be used for certain purposes; providing for the application of this Act; and generally relating to a property tax credit for urban agricultural property.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 9–253

Annotated Code of Maryland

(2019 Replacement Volume and 2020 Supplement)

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

Article – Tax – Property

9–253.

(a) (1) In this section the following words have the meanings indicated.

(2) “Urban agricultural property” means real property that is:

(i) at least one–eighth of an acre and not more than 5 acres;

(ii) located in a priority funding area, as defined in § 5–7B–02 of the State Finance and Procurement Article; and

(iii) used for urban agricultural purposes.

(3) “Urban agricultural purposes” means:

(i) crop production activities, including the use of mulch or cover crops to ensure maximum productivity and minimize runoff and weed production;

(ii) environmental mitigation activities, including stormwater abatement and groundwater protection;

(iii) community development activities, including recreational activities, food donations, and food preparation and canning classes;

(iv) economic development activities, including employment and training opportunities, and direct sales to restaurants and institutions; and

(v) temporary produce stands used for the sale of produce raised on the premises.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on urban agricultural property.

(c) (1) Except as provided in paragraph (2) of this subsection, a tax credit under this section shall be granted for 5 years.

(2) (i) If the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation grants a tax credit under this section, the jurisdiction granting a tax credit shall evaluate the effectiveness of the credit after 3 years.

(ii) If the jurisdiction granting the tax credit determines that the tax credit is ineffective in promoting urban agricultural purposes, the jurisdiction granting a tax credit may terminate the tax credit.

(iii) The jurisdiction granting a tax credit under this section may extend the tax credit for an additional 5 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

(1) the amount of the tax credit under this section;

(2) additional eligibility criteria for the tax credit under this section;

(3) regulations and procedures for the application and uniform processing of requests for the tax credit; and

(4) any other provision necessary to carry out the credit under this section.

[(e) At any time during the period for which a property tax credit under this section is granted for urban agricultural property, if the property ceases to be used for urban agricultural purposes, the owner of the property shall be liable for all property taxes that would have been imposed if a property tax credit for urban agricultural property had not been granted.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2021, and shall be applicable to all taxable years beginning after June 30, 2021.

Approved by the Governor, April 13, 2021.