

HOUSE BILL 649

Q2

7lr2138
CF SB 569

By: **Charles County Delegation**
Introduced and read first time: February 1, 2017
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 15, 2017

CHAPTER _____

1 AN ACT concerning

2 **Charles County – Property Tax Credit – ~~Commerce Zones~~ Priority Funding**
3 **Areas**

4 FOR the purpose of authorizing a certain property tax credit for certain business entities
5 that obtain certain new or expanded premises in a certain ~~commerce zone~~ area in
6 Charles County; providing for the amount and duration of the property tax credit;
7 authorizing the governing body of Charles County to provide, by law, for certain
8 matters relating to the tax credit; defining certain terms; providing for the
9 application of this Act; and generally relating to a property tax credit in Charles
10 County for real property located in certain ~~commerce zones~~ areas.

11 BY adding to
12 Article – Tax – Property
13 Section 9–310(k)
14 Annotated Code of Maryland
15 (2012 Replacement Volume and 2016 Supplement)

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

18 **Article – Tax – Property**

19 9–310.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (K) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
2 MEANINGS INDICATED.

3 ~~(H) "COMMERCE ZONE" MEANS A PRIORITY FUNDING AREA IN~~
4 ~~CHARLES COUNTY DESIGNATED BY THE GOVERNING BODY OF CHARLES COUNTY AS~~
5 ~~A COMMERCE ZONE.~~

6 ~~(H)~~ (II) "NEW OR EXPANDED PREMISES" MEANS
7 COMMERCIAL OR INDUSTRIAL REAL PROPERTY, INCLUDING A BUILDING OR PART OF
8 A BUILDING THAT HAS NOT BEEN PREVIOUSLY OCCUPIED, WHERE A BUSINESS
9 ENTITY LOCATES TO CONDUCT BUSINESS.

10 (III) "PRIORITY FUNDING AREA" MEANS AN AREA IN CHARLES
11 COUNTY DESIGNATED BY THE GOVERNING BODY OF CHARLES COUNTY AS A
12 PRIORITY FUNDING AREA FOR THE PURPOSE OF THE PROPERTY TAX CREDIT UNDER
13 THIS SUBSECTION.

14 (2) THE GOVERNING BODY OF CHARLES COUNTY MAY GRANT, BY
15 LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE COUNTY
16 PROPERTY TAX IMPOSED ON REAL PROPERTY OWNED BY A BUSINESS ENTITY THAT
17 MEETS THE REQUIREMENTS SPECIFIED UNDER THIS SUBSECTION.

18 (3) TO QUALIFY FOR A PROPERTY TAX CREDIT UNDER THIS
19 SUBSECTION, A BUSINESS ENTITY SHALL OBTAIN NEW OR EXPANDED PREMISES IN A
20 ~~COMMERCE ZONE~~ PRIORITY FUNDING AREA BY PURCHASING NEWLY CONSTRUCTED
21 PREMISES, CONSTRUCTING NEW PREMISES, OR CAUSING NEW PREMISES TO BE
22 CONSTRUCTED.

23 (4) IF A BUSINESS ENTITY MEETS THE REQUIREMENTS UNDER
24 PARAGRAPH (3) OF THIS SUBSECTION, THE PROPERTY TAX CREDIT GRANTED UNDER
25 THIS SUBSECTION SHALL EQUAL A PERCENTAGE OF THE AMOUNT OF COUNTY
26 PROPERTY TAX IMPOSED ON THE ASSESSMENT OF THE NEW OR EXPANDED
27 PREMISES, AS FOLLOWS:

28 (I) 50% FOR EACH OF THE FIRST 5 TAXABLE YEARS;

29 (II) 25% IN TAXABLE YEARS 6 AND 7;

30 (III) 15% IN TAXABLE YEARS 8 THROUGH 10; AND

31 (IV) 0% FOR EACH TAXABLE YEAR THEREAFTER.

32 (5) THE GOVERNING BODY OF CHARLES COUNTY MAY PROVIDE, BY
33 LAW, FOR:

1 **(I) THE SPECIFIC ELIGIBILITY REQUIREMENTS FOR THE TAX**
2 **CREDIT AUTHORIZED UNDER THIS SUBSECTION;**

3 **(II) ANY ADDITIONAL LIMITATIONS ON ELIGIBILITY FOR THE**
4 **CREDIT; AND**

5 **(III) ANY OTHER PROVISION NECESSARY TO IMPLEMENT THE**
6 **CREDIT.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
8 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.