
By: **Frederick County Delegation**
Introduced and read first time: February 9, 2001
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 24, 2001

CHAPTER 690

1 AN ACT concerning

2 **Frederick County - County Commissioners - Building Excise Tax**

3 FOR the purpose of authorizing the County Commissioners of Frederick County to
4 fix, impose, and collect, by ordinance, a building excise tax for financing certain
5 public road facilities; specifying certain conditions for the implementation of the
6 tax; requiring the County Commissioners to specify in the ordinance the type of
7 construction subject to the tax; exempting certain construction from the tax;
8 authorizing the County Commissioners to establish certain criteria and
9 additional building excise tax exemptions; requiring the County Director of
10 Finance to deposit revenues of from the building excise tax in a certain fund;
11 authorizing the County Commissioners to use the revenues of from the building
12 excise tax for certain public road facilities; requiring municipal corporations to
13 assist the County Commissioners in the collection of the building excise tax in a
14 certain manner; requiring the County Commissioners, in consultation with the
15 Frederick County Director of Finance, to conduct a certain study and to submit
16 results of the study by a certain date to the Frederick County senators and
17 delegates; and generally relating to authorizing the County Commissioners of
18 Frederick County to impose a building excise tax.

19 BY adding to
20 The Public Local Laws of Frederick County
21 Section 2-7-131
22 Article 11 - Public Local Laws of Maryland
23 (1979 Edition and July 2000 Supplement, as amended)

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

1

Article 11 - Frederick County

2 2-7-131.

3 (A) ~~(+)~~ SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE COUNTY
4 COMMISSIONERS OF FREDERICK COUNTY, BY ORDINANCE, MAY FIX, IMPOSE, AND
5 COLLECT A BUILDING EXCISE TAX.

6 (B) (1) IF THE COUNTY COMMISSIONERS IMPOSE A BUILDING EXCISE TAX,
7 THE COUNTY COMMISSIONERS MAY NOT ALSO IMPOSE AN IMPACT FEE FOR
8 FINANCING THE CAPITAL COSTS OF ADDITIONAL OR EXPANDED ROADS UNDER THE
9 AUTHORITY GRANTED IN ARTICLE 25, § 9J OF THE CODE.

10 (2) IF A MUNICIPAL CORPORATION HAS IMPOSED A TAX ON
11 CONSTRUCTION SPECIFICALLY DEVOTED AND LIMITED BY LAW TO USE FOR CAPITAL
12 PROJECTS FOR ADDITIONAL OR EXPANDED PUBLIC ROAD FACILITIES, THE COUNTY
13 COMMISSIONERS MAY NOT IMPOSE OR COLLECT A BUILDING EXCISE TAX ON THE
14 SAME CONSTRUCTION WITHIN THE MUNICIPAL CORPORATION.

15 ~~(2)~~ (C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,
16 THE COUNTY COMMISSIONERS SHALL SPECIFY IN THE ORDINANCE THE TYPE OF
17 CONSTRUCTION SUBJECT TO THE BUILDING EXCISE TAX.

18 (2) CONSTRUCTION INTENDED TO BE ACTIVELY USED FOR FARM OR
19 AGRICULTURAL USE MAY NOT BE SUBJECT TO A BUILDING EXCISE TAX UNDER THIS
20 SECTION SO LONG AS THE CONSTRUCTION CONTINUES TO BE ACTIVELY USED FOR
21 FARM OR AGRICULTURAL USE.

22 (3) RESIDENTIAL CONSTRUCTION MAY NOT BE SUBJECT TO A BUILDING
23 EXCISE TAX UNDER THIS SECTION IF:

24 (I) THE CONSTRUCTION IS FOR A SINGLE FAMILY RESIDENTIAL
25 BUILDING EXISTING ON JULY 1, 2001; AND

26 (II) THE CONSTRUCTION INCREASES THE SQUARE FOOTAGE OF
27 THE BUILDING BY LESS THAN 100% OF THE ALREADY PERMITTED SQUARE FOOTAGE.

28 (4) THE COUNTY COMMISSIONERS MAY ESTABLISH:

29 (I) CRITERIA TO DETERMINE IF CONSTRUCTION QUALIFIES FOR
30 AN EXEMPTION UNDER THIS SECTION; AND

31 (II) ADDITIONAL BUILDING EXCISE TAX EXEMPTIONS WITH
32 APPROPRIATE CRITERIA.

33 ~~(B)~~ (D) (1) THE COUNTY DIRECTOR OF FINANCE SHALL DEPOSIT THE
34 REVENUES ~~OF~~ FROM THE BUILDING EXCISE TAX IN AN ACCOUNT CALLED THE
35 "DEVELOPMENT ROAD IMPROVEMENT FUND".

1 (2) ~~SUBJECT TO PARAGRAPHS (3) AND (4) OF THIS SUBSECTION, THE~~
2 REVENUES ~~OF FROM~~ THE BUILDING EXCISE TAX IN THE DEVELOPMENT ROAD
3 IMPROVEMENT FUND SHALL BE USED ONLY TO PAY FOR CAPITAL PROJECTS OR
4 INDEBTEDNESS INCURRED FOR CAPITAL PROJECTS FOR ADDITIONAL OR EXPANDED
5 PUBLIC ROAD FACILITIES, INCLUDING BRIDGES, INTERSECTION IMPROVEMENTS,
6 AND NEW ROAD CONSTRUCTION AND ROAD IMPROVEMENT.

7 (3) ~~BEFORE THE COUNTY COMMISSIONERS MAY EXPEND FUNDS FROM~~
8 ~~THE DEVELOPMENT ROAD IMPROVEMENT FUND, THE COUNTY COMMISSIONERS~~
9 ~~MUST MATCH AT LEAST THE SAME AMOUNT OF FUNDS FOR CAPITAL PROJECTS FOR~~
10 ~~ADDITIONAL OR EXPANDED PUBLIC ROAD FACILITIES.~~

11 (4) ~~BEFORE THE COUNTY COMMISSIONERS MAY EXPEND FUNDS FROM~~
12 ~~THE DEVELOPMENT ROAD IMPROVEMENT FUND FOR A ROAD PROJECT ON A STATE~~
13 ~~HIGHWAY, AS DEFINED IN § 8-101 OF THE TRANSPORTATION ARTICLE, THE STATE~~
14 ~~MUST MATCH AT LEAST THE SAME AMOUNT OF FUNDS FOR A CAPITAL PROJECT FOR~~
15 ~~ADDITIONAL OR EXPANDED PUBLIC ROAD FACILITIES ON THE SAME ROAD PROJECT~~
16 ~~ON THE STATE HIGHWAY THAT IS WITHIN FREDERICK COUNTY.~~

17 (E) ~~A MUNICIPAL CORPORATION SHALL ASSIST THE COUNTY COMMISSIONERS~~
18 ~~IN THE COLLECTION OF THE BUILDING EXCISE TAX WITHIN THE MUNICIPAL~~
19 ~~CORPORATION BY:~~

20 (1) ~~COLLECTING AND REMITTING THE TAX TO THE COUNTY; OR~~

21 (2) ~~REQUIRING THE TAX TO BE PAID TO THE COUNTY COMMISSIONERS~~
22 ~~IN ACCORDANCE WITH A COUNTY ORDINANCE.~~

23 (F) ~~THE COUNTY COMMISSIONERS, IN CONSULTATION WITH THE FREDERICK~~
24 ~~COUNTY DIRECTOR OF FINANCE:~~

25 (1) ~~SHALL CONDUCT A COMPREHENSIVE STUDY OF THE IMPACT OF THE~~
26 ~~BUILDING EXCISE TAX ON THE ECONOMY OF FREDERICK COUNTY; AND~~

27 (2) ~~ON OR BEFORE JANUARY 1, 2006, SHALL SUBMIT THE RESULTS OF~~
28 ~~THE STUDY AND RECOMMENDATIONS TO THE FREDERICK COUNTY SENATORS AND~~
29 ~~DELEGATES.~~

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2001.

