

HOUSE BILL 959

Q3

8lr1102

By: **Delegates Haddaway and Eckardt**

Introduced and read first time: February 7, 2008

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Heritage Structure Rehabilitation Tax Credits – Qualified Rehabilitation**
3 **Expenditure – Preapproval**

4 FOR the purpose of altering the definition of “qualified rehabilitation expenditure”
5 under the Maryland Heritage Structure Rehabilitation Tax Credit to limit the
6 applicability of a certain preapproval requirement; and generally relating to the
7 Maryland Heritage Structure Rehabilitation Tax Credit Program.

8 BY repealing and reenacting, with amendments,
9 Article – State Finance and Procurement
10 Section 5A–303(a)(10)
11 Annotated Code of Maryland
12 (2006 Replacement Volume and 2007 Supplement)

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

15 **Article – State Finance and Procurement**

16 5A–303.

17 (a) (10) “Qualified rehabilitation expenditure” means any amount that:

18 (i) is properly chargeable to a capital account;

19 (ii) is expended in the rehabilitation of a structure that by the
20 end of the calendar year in which the certified rehabilitation is completed is a certified
21 heritage structure;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) **IF THE TAX CREDIT FOR THE CERTIFIED**
2 **REHABILITATION EQUALS \$500,000 OR MORE**, is expended in compliance with a
3 plan of proposed rehabilitation that has been approved by the Director; and

4 (iv) is not funded, financed, or otherwise reimbursed by any:

5 1. State or local grant;

6 2. grant made from the proceeds of tax-exempt bonds
7 issued by the State, a political subdivision of the State, or an instrumentality of the
8 State or of a political subdivision of the State;

9 3. State tax credit other than the tax credit under this
10 section; or

11 4. other financial assistance from the State or a political
12 subdivision of the State, other than a loan that must be repaid at an interest rate that
13 is greater than the interest rate on general obligation bonds issued by the State at the
14 most recent bond sale prior to the time the loan is made.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 July 1, 2008.