

HOUSE BILL 675

Q2, C8

3lr0496

By: **Montgomery County Delegation**

Introduced and read first time: February 1, 2013

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: March 17, 2013

CHAPTER _____

1 AN ACT concerning

2 **Montgomery County – Property Tax Credit for Qualified Enterprise Zone**
3 **Property – Burtonsville**

4 **MC 14–13**

5 FOR the purpose of altering a certain definition of “qualified enterprise zone property”
6 as it relates to a certain property tax credit granted by the governing body of
7 Montgomery County or of a municipal corporation in Montgomery County to
8 include certain property zoned for certain uses located in the area encompassed
9 by the Burtonsville Crossroads Neighborhood Plan; providing for the application
10 of this Act; and generally relating to a property tax credit granted by
11 Montgomery County or a municipal corporation in Montgomery County against
12 county or municipal property tax imposed on an eligible business entity on
13 qualified enterprise zone property.

14 BY repealing and reenacting, with amendments,
15 Article – Tax – Property
16 Section 9–317(f)
17 Annotated Code of Maryland
18 (2012 Replacement Volume)

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

21 **Article – Tax – Property**

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 9–317.

2 (f) (1) (i) In this subsection the following words have the meanings
3 indicated.

4 (ii) “Eligible business entity” means a person who operates or
5 conducts a trade or business on qualified enterprise zone property but does not own
6 the qualified enterprise zone property.

7 (iii) “Qualified enterprise zone property” means real property
8 that:

9 1. A. is not used for residential purposes;

10 [2.] B. is used in a trade or business by an eligible
11 business entity;

12 [3.] C. is located in an enterprise zone that is
13 designated under Title 5, Subtitle 7 of the Economic Development Article; and

14 [4.] D. is eligible for the property tax credit under §
15 9–103 of this title; **OR**

16 2. A. **IS LOCATED WITHIN THE AREA**
17 **ENCOMPASSED BY THE BURTONSVILLE CROSSROADS NEIGHBORHOOD PLAN**
18 **DEVELOPED BY THE MONTGOMERY COUNTY PLANNING DEPARTMENT;**

19 B. **IS ZONED FOR COMMERCIAL OR**
20 **COMMERCIAL/RESIDENTIAL MIXED USE DEVELOPMENT; AND**

21 C. **HAS HAD IMPROVEMENTS MADE ON IT ON OR**
22 **BEFORE JANUARY 1, 2020.**

23 (2) Subject to paragraphs (4) and (5) of this subsection, the governing
24 body of Montgomery County or of a municipal corporation in Montgomery County may
25 grant, by law, a property tax credit against the county or municipal corporation
26 property tax imposed on:

27 (i) improvements made by an eligible business entity to
28 qualified enterprise zone property; and

29 (ii) personal property owned by an eligible business entity
30 located on qualified enterprise zone property.

1 (3) (i) The governing body of Montgomery County or of a municipal
2 corporation in Montgomery County may provide, by law, for:

3 1. the amount and duration of a credit under this
4 subsection;

5 2. additional eligibility criteria for a credit under this
6 subsection; and

7 3. any other provision necessary to carry out a credit
8 under this subsection.

9 (ii) The governing body of Montgomery County or of a municipal
10 corporation in Montgomery County shall define, by law, the improvements eligible for
11 a credit under this subsection.

12 (4) The lessor of real property granted a credit under paragraph (2)(i)
13 of this subsection shall reduce the amount of taxes for which an eligible business
14 entity is contractually liable under the lease agreement by the amount of any credit
15 granted under paragraph (2)(i) of this subsection for improvements made by the
16 eligible business entity.

17 (5) The lessor of real property that receives a credit under § 9-103 of
18 this title may not be granted a credit under this subsection.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 June 1, 2013, and shall be applicable to all taxable years beginning after June 30,
21 2013.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.