

SENATE BILL 541

Q2

5lr1987
CF 5lr1981

By: **Senator McFadden (By Request – Baltimore City Administration)**

Introduced and read first time: February 6, 2015

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Property Tax Credit – Supermarkets**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City to grant, by
4 law, a property tax credit against the personal property tax imposed on personal
5 property of a supermarket that completes certain construction and is located in or
6 near a certain food desert; requiring the Mayor and City Council of Baltimore City
7 to designate what constitutes a food desert for purposes of the tax credit; providing
8 that the tax credit may not exceed a certain amount; authorizing the Mayor and City
9 Council of Baltimore City to provide, by law, for certain matters relating to the tax
10 credit; defining certain terms; providing for the application of this Act; and generally
11 relating to a personal property tax credit for certain supermarkets in Baltimore City.

12 BY adding to

13 Article – Tax – Property

14 Section 9–304(h)

15 Annotated Code of Maryland

16 (2012 Replacement Volume and 2014 Supplement)

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

19 **Article – Tax – Property**

20 9–304.

21 **(H) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE**
22 **MEANINGS INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (II) "ELIGIBLE CONSTRUCTION" MEANS CONSTRUCTION OF A
2 NEW SUPERMARKET OR ANY SUBSTANTIAL RENOVATION OF AN EXISTING
3 SUPERMARKET.

4 (III) "SUPERMARKET" MEANS A GROCERY STORE THAT HAS:

5 1. ALL MAJOR FOOD DEPARTMENTS, INCLUDING
6 PRODUCE, MEAT, SEAFOOD, DAIRY, AND CANNED AND PACKAGED GOODS;

7 2. MORE THAN 50% OF TOTAL SALES DERIVED FROM
8 FOOD SALES; AND

9 3. MORE THAN 50% OF TOTAL FLOOR SPACE DEDICATED
10 TO FOOD SALES.

11 (2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY
12 GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE
13 COUNTY PERSONAL PROPERTY TAX IMPOSED ON PERSONAL PROPERTY THAT IS
14 OWNED BY A SUPERMARKET THAT:

15 (I) COMPLETES ELIGIBLE CONSTRUCTION; AND

16 (II) IS LOCATED IN A FOOD DESERT OR WITHIN ONE-QUARTER
17 OF A MILE OF A FOOD DESERT.

18 (3) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL, BY
19 LAW, DESIGNATE WHAT CONSTITUTES A FOOD DESERT FOR PURPOSES OF THE TAX
20 CREDIT UNDER THIS SUBSECTION.

21 (4) A PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION
22 FOR A TAXABLE YEAR MAY NOT EXCEED THE AMOUNT OF PROPERTY TAX IMPOSED
23 ON THE PERSONAL PROPERTY OF A SUPERMARKET IN THAT YEAR.

24 (5) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY
25 ESTABLISH, BY LAW:

26 (I) LIMITS ON THE CUMULATIVE AMOUNT OF PROPERTY TAX
27 CREDITS GRANTED UNDER THIS SUBSECTION;

28 (II) ADDITIONAL LIMITATIONS ON THE AMOUNT OF THE CREDIT;

29 (III) ADDITIONAL ELIGIBILITY REQUIREMENTS FOR
30 SUPERMARKETS TO QUALIFY FOR THE TAX CREDIT UNDER THIS SUBSECTION;

1 **(IV) ADDITIONAL CRITERIA FOR WHAT CONSTITUTES ELIGIBLE**
2 **CONSTRUCTION THAT MAY QUALIFY A SUPERMARKET FOR THE TAX CREDIT UNDER**
3 **THIS SUBSECTION; AND**

4 **(V) ANY OTHER PROVISIONS NECESSARY TO CARRY OUT THIS**
5 **SUBSECTION.**

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
7 1, 2015, and shall be applicable to all taxable years beginning after June 30, 2015.