

# HOUSE BILL 1445

Q2

6lr2336

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By: **Calvert County Delegation**

Introduced and read first time: February 12, 2016

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Calvert County – Property Tax Credit – Commerce Zones**

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

10 BY adding to

11 Article – Tax – Property

12 Section 9–306(h)

13 Annotated Code of Maryland

14 (2012 Replacement Volume and 2015 Supplement)

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

17 **Article – Tax – Property**

18 9–306.

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

21 **(II) “COMMERCE ZONE” MEANS A PRIORITY FUNDING AREA IN**  
22 **CALVERT COUNTY DESIGNATED BY THE GOVERNING BODY OF CALVERT COUNTY AS**  
23 **A COMMERCE ZONE.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(III) “NEW OR EXPANDED PREMISES” MEANS COMMERCIAL OR**  
2 **INDUSTRIAL REAL PROPERTY, INCLUDING A BUILDING OR PART OF A BUILDING**  
3 **THAT HAS NOT BEEN PREVIOUSLY OCCUPIED, WHERE A BUSINESS ENTITY LOCATES**  
4 **TO CONDUCT BUSINESS.**

5           **(2) THE GOVERNING BODY OF CALVERT COUNTY MAY GRANT, BY**  
6 **LAW, A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY**  
7 **PROPERTY TAX IMPOSED ON REAL PROPERTY OWNED BY A BUSINESS ENTITY THAT**  
8 **MEETS THE REQUIREMENTS SPECIFIED UNDER THIS SUBSECTION.**

9           **(3) TO QUALIFY FOR A PROPERTY TAX CREDIT UNDER THIS**  
10 **SUBSECTION, A BUSINESS ENTITY SHALL OBTAIN NEW OR EXPANDED PREMISES IN A**  
11 **COMMERCE ZONE BY PURCHASING NEWLY CONSTRUCTED PREMISES,**  
12 **CONSTRUCTING NEW PREMISES, OR CAUSING NEW PREMISES TO BE CONSTRUCTED.**

13           **(4) IF A BUSINESS ENTITY MEETS THE REQUIREMENTS UNDER**  
14 **PARAGRAPH (3) OF THIS SUBSECTION, THE PROPERTY TAX CREDIT GRANTED UNDER**  
15 **THIS SUBSECTION SHALL EQUAL A PERCENTAGE OF THE AMOUNT OF COUNTY**  
16 **PROPERTY TAX IMPOSED ON THE ASSESSMENT OF THE NEW OR EXPANDED**  
17 **PREMISES, AS FOLLOWS:**

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

19                   **(II) 40% IN TAXABLE YEARS 6 AND 7;**

20                   **(III) 30% IN TAXABLE YEARS 8 THROUGH 10;**

21                   **(IV) 20% IN TAXABLE YEARS 11 AND 12;**

22                   **(V) 15% IN TAXABLE YEARS 13 AND 14;**

23                   **(VI) 10% IN TAXABLE YEAR 15; AND**

24                   **(VII) 0% IN TAXABLE YEAR 16 AND EACH TAXABLE YEAR**  
25 **THEREAFTER.**

26           **(5) THE GOVERNING BODY OF CALVERT COUNTY MAY PROVIDE, BY**  
27 **LAW, FOR:**

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

1                                   **(II) ANY ADDITIONAL LIMITATIONS ON ELIGIBILITY FOR THE**  
2 **CREDIT; AND**

3                                   **(III) ANY OTHER PROVISION NECESSARY TO IMPLEMENT THE**  
4 **CREDIT.**

5                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
6 1, 2016, and shall be applicable to all taxable years beginning after June 30, 2016.