

HOUSE BILL 414

Q2

0lr1008

By: **St. Mary's County Delegation**

Introduced and read first time: January 23, 2020

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2020

CHAPTER _____

1 AN ACT concerning

2 **St. Mary's County – Property Tax Credit – ~~Improvements~~ for Improvements to**
3 **Commercial Real Property and Transfer Tax Sunset Extension**

4 FOR the purpose of authorizing the governing body of St. Mary's County to grant, by law,
5 a property tax credit against the county property tax imposed on certain real
6 property that is located in a certain area of the county and has had improvements
7 made on it on or after a certain date; prohibiting the tax credit from exceeding a
8 certain percentage of the county property tax assessed on the property; authorizing
9 the governing body of St. Mary's County to provide, by law, for certain matters
10 relating to the tax credit; requiring the governing body of St. Mary's County to define,
11 by law, certain eligibility criteria; extending to a certain date the termination
12 provision relating to the authority of the County Commissioners of St. Mary's County
13 to impose a transfer tax on certain instruments of writing; providing for the
14 application of certain provisions of this Act; and generally relating to a property tax
15 credit for improvements to commercial real property and the transfer tax in St.
16 Mary's County.

17 BY adding to
18 Article – Tax – Property
19 Section 9–320(e)
20 Annotated Code of Maryland
21 (2019 Replacement Volume)

22 BY repealing and reenacting, without amendments,
23 The Public Local Laws of St. Mary's County

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 Section 138-1B.
 2 Article 19 – Public Local Laws of Maryland
 3 (2007 Edition and March 2015 Supplement, as amended)

4 BY repealing and reenacting, with amendments,
 5 The Public Local Laws of St. Mary’s County
 6 Section 138-1F.
 7 Article 19 – Public Local Laws of Maryland
 8 (2007 Edition and March 2015 Supplement, as amended)

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

11 **Article – Tax – Property**

12 9-320.

13 **(E) (1) THE GOVERNING BODY OF ST. MARY’S COUNTY MAY GRANT, BY**
 14 **LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY PROPERTY TAX IMPOSED ON**
 15 **COMMERCIAL REAL PROPERTY THAT:**

16 **(I) IS LOCATED IN AN ELIGIBLE AREA OF THE COUNTY; AND**

17 **(II) HAS HAD IMPROVEMENTS MADE ON THE PROPERTY ON OR**
 18 **AFTER JULY 1, 2020.**

19 **(2) (I) THE AMOUNT OF THE CREDIT AUTHORIZED UNDER THIS**
 20 **SUBSECTION MAY NOT EXCEED 25% OF THE COUNTY PROPERTY TAX ASSESSED ON**
 21 **THE PROPERTY.**

22 **(II) THE DURATION OF THE CREDIT AUTHORIZED UNDER THIS**
 23 **SUBSECTION MAY NOT EXCEED 10 YEARS.**

24 **(3) IF THE GOVERNING BODY OF ST. MARY’S COUNTY AUTHORIZES A**
 25 **CREDIT UNDER THIS SUBSECTION, THE GOVERNING BODY OF ST. MARY’S COUNTY:**

26 **(I) MAY PROVIDE, BY LAW, FOR:**

27 **1. SUBJECT TO PARAGRAPH (2)(I) OF THIS SUBSECTION,**
 28 **THE AMOUNT OF THE CREDIT;**

29 **2. SUBJECT TO PARAGRAPH (2)(II) OF THIS**
 30 **SUBSECTION, THE DURATION OF THE CREDIT; AND**

1 3. ANY OTHER PROVISION NECESSARY TO ADMINISTER
2 THE CREDIT; AND

3 (II) SHALL DEFINE, BY LAW, THE AREAS IN THE COUNTY AND
4 THE IMPROVEMENTS TO THE PROPERTY THAT ARE ELIGIBLE FOR A CREDIT
5 AUTHORIZED UNDER THIS SUBSECTION.

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
7 as follows:

8 Article 19 – St. Mary’s County

9 138–1.

10 B. The County Commissioners may impose a transfer tax on an instrument of
11 writing:

12 (1) Recorded with the Clerk of the Circuit Court for St. Mary’s County; or

13 (2) Filed with the State Department of Assessments and Taxation.

14 F. The authority granted to impose a transfer tax under this section shall
15 terminate and be of no effect after [July 1, 2020] **OCTOBER 1, 2024.**

16 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be
17 applicable to all taxable years beginning after June 30, 2020.

18 ~~SECTION 2. 4. AND BE IT FURTHER ENACTED, That this Act shall take effect~~
19 ~~June 1, 2020, and shall be applicable to all taxable years beginning after June 30, 2020.~~

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.