

Chapter 199

(House Bill 414)

AN ACT concerning

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

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

BY adding to

Article – Tax – Property
Section 9–320(e)
Annotated Code of Maryland
(2019 Replacement Volume)

BY repealing and reenacting, without amendments,

The Public Local Laws of St. Mary's County
Section 138–1B.
Article 19 – Public Local Laws of Maryland
(2007 Edition and March 2015 Supplement, as amended)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County
Section 138–1F.
Article 19 – Public Local Laws of Maryland
(2007 Edition and March 2015 Supplement, as amended)

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

Article – Tax – Property

9–320.

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

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

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

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

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

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

(I) MAY PROVIDE, BY LAW, FOR:

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

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

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

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

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

Article 19 – St. Mary’s County

138–1.

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

- (1) Recorded with the Clerk of the Circuit Court for St. Mary's County; or
- (2) Filed with the State Department of Assessments and Taxation.

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

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

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020, ~~and shall be applicable to all taxable years beginning after June 30, 2020.~~

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.