HOUSE BILL 1353

Q2 1lr3040

By: Delegate Cox

Introduced and read first time: February 18, 2021 Assigned to: Rules and Executive Nominations

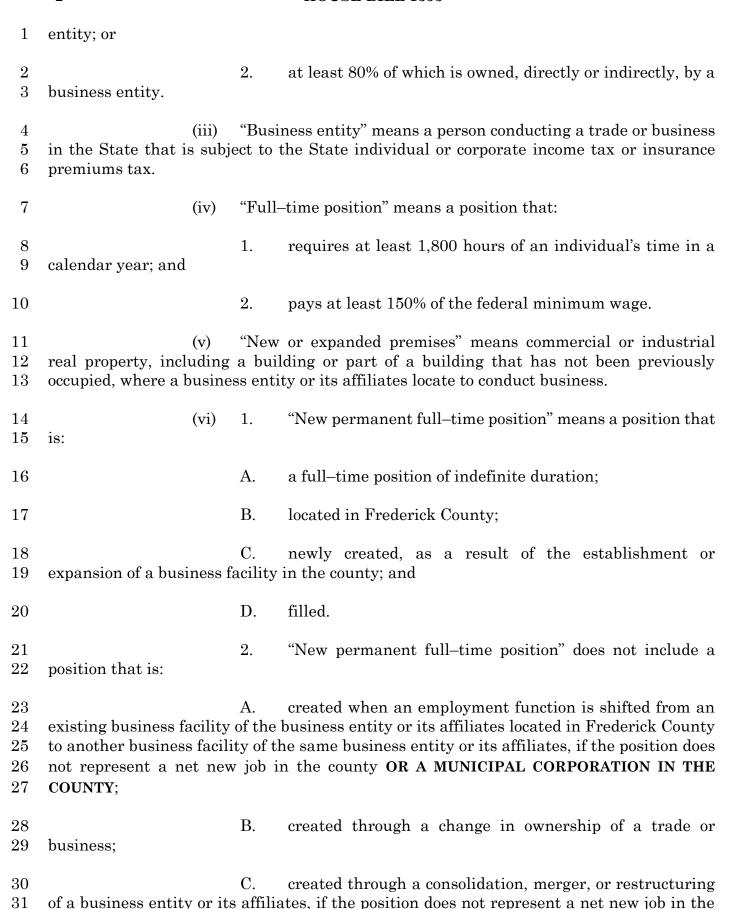
A BILL ENTITLED

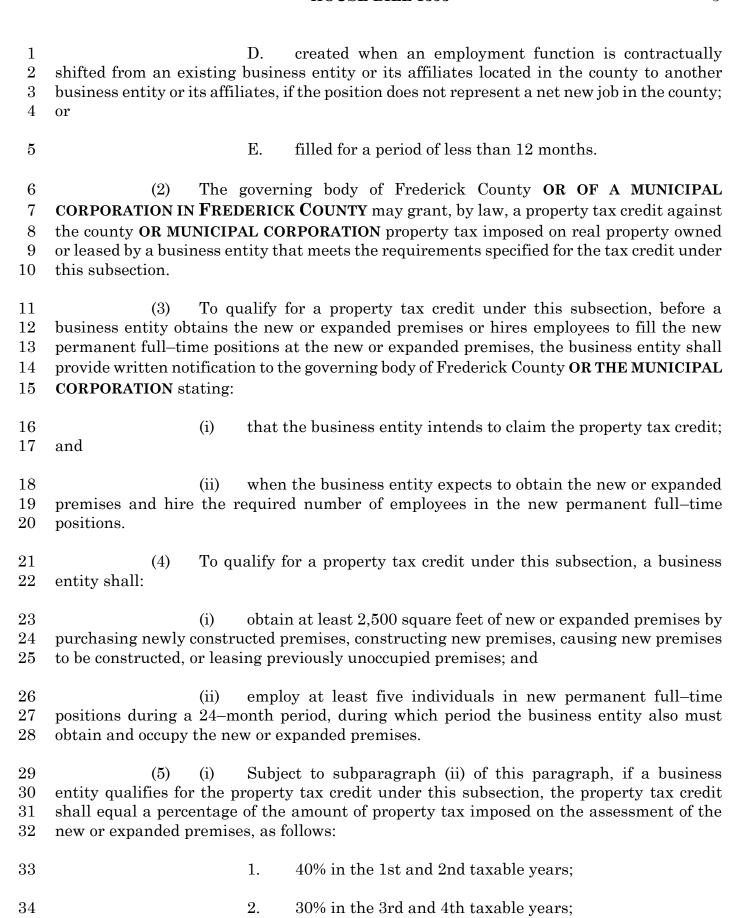
1 AN ACT concerning 2 Frederick County - Small Business Property Tax Credit - Municipal 3 Corporations 4 FOR the purpose of authorizing the governing body of a municipal corporation in Frederick 5 County to grant, by law, a property tax credit against the municipal corporation 6 property tax imposed on certain real property located in the municipal corporation 7 that is owned or leased by certain business entities that meet certain requirements 8 relating to capital investment or job creation; authorizing the governing body of a 9 municipal corporation in the county to provide, by law, for certain matters relating to the tax credit; providing for the application of this Act; and generally relating to a 10 11 municipal corporation property tax credit for small businesses in Frederick County. 12 BY repealing and reenacting, with amendments, 13 Article – Tax – Property Section 9–312(i) 14 15 Annotated Code of Maryland 16 (2019 Replacement Volume and 2020 Supplement) 17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: 18 19 Article - Tax - Property 20 9-312.21 (i) (1) (i) In this subsection the following words have the meanings 22 indicated. 23 "Affiliate" means a person: (ii) 241. that directly or indirectly owns at least 80% of a business



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1	3. 20% in the 5th and 6th taxable years; and
2	4. 0% for each taxable year thereafter.
3 4 5 6	(ii) A property tax credit under this subsection may not be granted until the first taxable year in which the county property tax imposed on real property owned or leased by the business entity increases due to the business entity's qualifying investment in the new or expanded premises.
7 8 9	(6) The lessor of real property granted a property tax credit under this subsection shall reduce the amount of taxes for which a business entity is contractually liable under the lease agreement by the amount of any credit granted under this subsection for improvements made by the business entity.
11 12	(7) The governing body of Frederick County OR OF A MUNICIPAL CORPORATION IN FREDERICK COUNTY may provide, by law, for:
13 14	(i) any additional requirements for eligibility for a property tax credit authorized under this subsection;
15	(ii) any additional limitations on eligibility for the credit; and
16	(iii) any other provision appropriate to implement the credit.
17 18	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2021, and shall be applicable to all taxable years beginning after June 30, 2021.