



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: Senate Bill 645 – State Income and Property Tax Credits – Purple Line Construction Zone

SPONSOR: Senator Smith

HEARING DATE: February 26, 2020

COMMITTEE: Budget and Taxation

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS Senate Bill 645**, which allows businesses that have lost income during construction of the Purple Line light rail project, to recoup this lost income by claiming a credit against the State income tax. If the income loss is greater than the amount of taxes owed, then the business can claim a refund for the difference.

Construction of the Purple Line light rail project began in 2019 and is expected to continue until the line opens in early 2023. This represents nearly four years of disruptions to existing businesses located near the Line that are impacted by construction. Lost parking and detours make it difficult for customers to find businesses, and the loss of pedestrian foot traffic has resulted in a loss of income for many small businesses.

Senate Bill 645 is vital to ensuring that small businesses remain open until construction is completed. Without this assistance, many long-term businesses could close, jobs would be lost, and many lives will be disrupted.

For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS Senate Bill 645** and asks for a **FAVORABLE** report.