

# HOUSE BILL 1357

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CF 4lr3232

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By: **Howard County Delegation**

Introduced and read first time: February 9, 2024

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Howard County – Payment in Lieu of Taxes Agreements – Moderate Income**  
3 **Housing**

4 **Ho. Co. 8–24**

5 FOR the purpose of authorizing certain owners of real property and the governing body of  
6 Howard County to enter into payment in lieu of taxes agreements for maintaining a  
7 certain number of moderate income housing units at the property; requiring the  
8 County Executive of Howard County to publish on the county’s website the  
9 methodology used to calculate the negotiated payment amount under a payment in  
10 lieu of taxes agreement authorized under this Act and to periodically reevaluate the  
11 methodology; prohibiting the governing body of Howard County from entering an  
12 agreement unless the negotiated payment amount for the agreement was  
13 determined in accordance with the methodology most recently published on the  
14 county’s website; and generally relating to payment in lieu of taxes agreements in  
15 Howard County.

16 BY adding to  
17 Article – Tax – Property  
18 Section 7–521  
19 Annotated Code of Maryland  
20 (2019 Replacement Volume and 2023 Supplement)

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

23 **Article – Tax – Property**

24 **7–521.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (A) IN THIS SECTION, “MODERATE INCOME” AND “MODERATE INCOME  
2 HOUSING UNIT” HAVE THE MEANINGS STATED IN TITLE 13, SUBTITLE 4 OF THE  
3 HOWARD COUNTY CODE.

4 (B) IN HOWARD COUNTY, REAL PROPERTY MAY BE EXEMPT FROM COUNTY  
5 PROPERTY TAX IF:

6 (1) THE OWNER OF THE REAL PROPERTY AND THE GOVERNING BODY  
7 OF HOWARD COUNTY AGREE THAT THE OWNER SHALL PAY A NEGOTIATED AMOUNT  
8 IN LIEU OF THE COUNTY PROPERTY TAX; AND

9 (2) THE OWNER OF THE REAL PROPERTY ENTERS INTO AN  
10 AGREEMENT WITH THE GOVERNING BODY OF HOWARD COUNTY TO MAINTAIN A  
11 NUMBER OF RESIDENTIAL UNITS LOCATED AT THE REAL PROPERTY AS HOUSING  
12 FOR MODERATE INCOME HOUSEHOLDS THAT EXCEEDS THE MINIMUM NUMBER OF  
13 MODERATE INCOME HOUSING UNITS REQUIRED BY LOCAL ZONING LAWS IN EFFECT  
14 ON THE DATE OF THE AGREEMENT.

15 (C) REAL PROPERTY DESCRIBED IN SUBSECTION (B) OF THIS SECTION IS  
16 EXEMPT WHEN THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION ARE MET.

17 (D) (1) THE COUNTY EXECUTIVE OF HOWARD COUNTY:

18 (I) SHALL PUBLISH ON THE COUNTY’S WEBSITE THE  
19 METHODOLOGY TO BE USED FOR CALCULATING THE NEGOTIATED PAYMENT  
20 AMOUNT FOR AN AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS  
21 SECTION; AND

22 (II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, MAY  
23 REVISE AT ANY TIME THE METHODOLOGY PUBLISHED UNDER THIS PARAGRAPH.

24 (2) AT LEAST ONCE EVERY 5 YEARS, THE COUNTY EXECUTIVE OF  
25 HOWARD COUNTY SHALL REEVALUATE THE METHODOLOGY TO BE USED FOR  
26 CALCULATING A NEGOTIATED PAYMENT AMOUNT FOR A POTENTIAL AGREEMENT  
27 AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION.

28 (3) IF ANY REVISIONS ARE MADE UNDER PARAGRAPH (1)(II) OR (2) OF  
29 THIS SUBSECTION TO THE MOST RECENTLY PUBLISHED METHODOLOGY, THE  
30 COUNTY EXECUTIVE OF HOWARD COUNTY SHALL PUBLISH THE REVISED  
31 METHODOLOGY ON THE COUNTY’S WEBSITE.

32 (E) THE GOVERNING BODY OF HOWARD COUNTY MAY NOT ENTER AN  
33 AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION UNLESS THE

1 NEGOTIATED PAYMENT AMOUNT FOR THE AGREEMENT WAS DETERMINED IN  
2 ACCORDANCE WITH THE METHODOLOGY MOST RECENTLY PUBLISHED ON THE  
3 COUNTY'S WEBSITE.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
5 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.