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**By: Howard County Delegation**

Introduced and read first time: January 15, 1997

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Howard County - Property Tax Credit - Commercial or Industrial Businesses**

3 **Ho. Co. 12-97**

4 FOR the purpose of altering the circumstances under which Howard County may grant a  
5 property tax credit to extend it to real property owned or occupied by a commercial  
6 or industrial business; requiring that the benefit of the tax credit be passed on to a  
7 commercial or industrial business under certain circumstances; placing a limit on  
8 the term of the tax credit under certain circumstances; and generally relating to a  
9 property tax credit for certain real property owned or occupied by a commercial or  
10 industrial business.

11 BY repealing and reenacting, with amendments,

12 Article - Tax - Property

13 Section 9-315

14 Annotated Code of Maryland

15 (1994 Replacement Volume and 1996 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Tax - Property**

19 9-315.

20 (a) The governing body of Howard County may grant, by law, a property tax credit  
21 under this section against the county property tax imposed on:

22 (1) property that:

23 (i) is owned by any community association;

24 (ii) is used for community, civic, educational, library, or park purposes;

25 and

26 (iii) is not a swimming pool, tennis court, or similar recreational  
27 facility;

28 (2) real property that is subject to the county's agricultural land

29 preservation program; and

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1 (3) subject to subsections (b) and (c) of this section, real property that is  
2 new construction or an improvement to real property [of] OWNED OR OCCUPIED BY a  
3 commercial or industrial business that:

4 (i) is currently or will be doing business in Howard County;

5 (ii) will employ at least 12 additional full-time local employees by the  
6 second year in which the credit is allowed, not including any employee filling a job created  
7 when a job function is shifted from an existing location in the State to the location of the  
8 new construction or improvement; and

9 (iii) makes a substantial investment in Howard County, which may be:

10 1. the acquisition of a building, land, or equipment that totals at  
11 least \$2,000,000; or

12 2. the creation of 10 positions with salaries greater than the  
13 current average annual wage in Howard County.

14 (b) In establishing a tax credit under subsection (a)(3) of this section, the  
15 governing body of Howard County:

16 (1) shall develop criteria necessary to implement the credit;

17 (2) shall designate an agency to administer the credit; and

18 (3) may specify:

19 (i) the amount and duration of the credit;

20 (ii) the qualifications and application procedures for the credit; and

21 (iii) any other requirement or procedure for the granting or  
22 administration of the credit that the governing body considers appropriate.

23 (c) (1) A property tax credit under subsection (a)(3) of this section may not  
24 exceed the amount of county property tax imposed on the increase in assessment that is  
25 due to the new construction or improvements made to the property of the [business  
26 entity] PERSON applying for the credit.

27 (2) IF A PROPERTY TAX CREDIT UNDER SUBSECTION (A)(3) OF THIS  
28 SECTION IS GRANTED FOR PROPERTY LEASED OR RENTED BY A COMMERCIAL OR  
29 INDUSTRIAL BUSINESS ALLOWED UNDER THIS SUBSECTION:

30 (I) THE AMOUNT OF THE TAX CREDIT ALLOWED SHALL PASS  
31 THROUGH TO THE COMMERCIAL OR INDUSTRIAL BUSINESS THAT CONDUCTS THE  
32 ACTIVITY THAT QUALIFIES FOR THE CREDIT; AND

33 (II) THE TERM OF THE TAX CREDIT MAY NOT EXCEED THE TERM  
34 OF THE LEASE AND MAY NOT EXCEED 10 YEARS.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
36 October 1, 1997.