
By: Howard County Delegation

Introduced and read first time: January 15, 1997

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: March 14, 1997

CHAPTER ____

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:

2

1 (i) is owned by any community association;

2 (ii) is used for community, civic, educational, library, or park purposes;
3 and

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

6 (2) real property that is subject to the county's agricultural land
7 preservation program; and

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

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

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

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

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

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

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

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

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

25 (3) may specify:

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

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

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

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

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

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

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

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