

HOUSE BILL 945

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Q1

1999 Regular Session  
9r2005  
CF 9r2342

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By: **Delegates Stull, Amedori, W. Baker, Baldwin, Bartlett, Boutin, Bozman, Brinkley, Cane, Donoghue, Eckardt, Edwards, Elliott, Getty, Guns, Hecht, J. Kelly, K. Kelly, Klausmeier, Love, McClenahan, McKee, Mitchell, Mohorovic, O'Donnell, Owings, Rudolph, Shank, Slade, Snodgrass, Stocksdale, Walkup, Weir, and Wood**

Introduced and read first time: February 12, 1999  
Assigned to: Ways and Means and Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Credit - Nonpoint Source Pollution Reduction**

3 FOR the purpose of requiring the governing body of a county to grant a real property  
4 tax credit for certain property owners who reduce or eliminate certain forms of  
5 nonpoint source pollution from their properties and who are required to subject  
6 properties to nutrient management under certain plans; requiring the governing  
7 body of the county to adopt certain standards and procedures relating to the tax  
8 credit; establishing certain limitations on the tax credit; requiring the execution  
9 and certification of a certain plan between a property owner and the county soil  
10 conservation district as a condition of allowing the tax credit to the owner;  
11 establishing penalties for violation of certain plans under certain circumstances;  
12 requiring the State to reimburse the county for the lost revenue resulting from  
13 the granting of the tax credit; and generally relating to property taxes and  
14 nonpoint source pollution reduction.

15 BY adding to  
16 Article - Tax - Property  
17 Section 9-109  
18 Annotated Code of Maryland  
19 (1994 Replacement Volume and 1998 Supplement)

20 BY repealing  
21 Article - Tax - Property  
22 Section 9-226  
23 Annotated Code of Maryland  
24 (1994 Replacement Volume and 1998 Supplement)

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

Article - Tax - Property

9-109.

(A) THE GOVERNING BODY OF A COUNTY SHALL GRANT A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY PROPERTY TAX IMPOSED ON REAL PROPERTY:

(1) THAT IS USED FOR AGRICULTURAL PURPOSES AND IS SUBJECT TO A CURRENT SOIL CONSERVATION AND WATER QUALITY PLAN APPROVED BY THE COUNTY SOIL CONSERVATION DISTRICT; AND

(2) THAT IS SUBJECT TO A NUTRIENT MANAGEMENT PLAN UNDER TITLE 8, SUBTITLE 8 OF THE AGRICULTURE ARTICLE.

(B) (1) THIS SUBSECTION GOVERNS THE IMPLEMENTATION OF THE PROPERTY TAX CREDIT GRANTED UNDER SUBSECTION (A) OF THIS SECTION.

(2) (I) THE GOVERNING BODY OF A COUNTY SHALL ADOPT PROCEDURES TO DETERMINE:

- 1. THE CONDITIONS OF ELIGIBILITY;
- 2. THE COSTS OF IMPLEMENTING THE SOIL CONSERVATION AND WATER QUALITY PLAN OR NUTRIENT MANAGEMENT PLAN UNDER SUBSECTION (A) OF THIS SECTION; AND
- 3. THE METHOD OF APPLICATION FOR THE PROPERTY TAX CREDIT.

(II) THE PROPERTY TAX CREDIT FOR A PROPERTY SHALL EQUAL THE LESSER OF:

- 1. THE COSTS OF IMPLEMENTING THE SOIL CONSERVATION AND WATER QUALITY PLAN OR NUTRIENT MANAGEMENT PLAN UNDER SUBSECTION (A) OF THIS SECTION; OR
- 2. 50% OF THE REAL PROPERTY TAX ASSESSED ON THAT PROPERTY.

(III) THE CREDIT SHALL BE GRANTED ONLY FOR A PROPERTY THAT IS SUBJECT TO A CURRENT SOIL CONSERVATION AND WATER QUALITY PLAN EXECUTED BY THE PROPERTY OWNER AND THE COUNTY SOIL CONSERVATION DISTRICT AND THAT IS SUBJECT TO A NUTRIENT MANAGEMENT PLAN UNDER TITLE 8, SUBTITLE 8 OF THE AGRICULTURE ARTICLE.

(IV) THE CREDIT SHALL BE GRANTED ONLY IF THE SOIL CONSERVATION AND WATER QUALITY PLAN UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH IS CERTIFIED BY THE COUNTY SOIL CONSERVATION DISTRICT AS BEING IMPLEMENTED AS SCHEDULED BY AND IN ACCORDANCE WITH THE PLAN.

1           (3)     THE SOIL CONSERVATION AND WATER QUALITY PLAN SHALL SET  
2 FORTH THE PRACTICES TO ELIMINATE OR REDUCE NONPOINT SOURCE POLLUTION  
3 FROM AGRICULTURAL RUNOFF ON THE PROPERTY.

4           (4)     (I)     A PROPERTY OWNER WHO HAS BEEN GRANTED A PROPERTY  
5 TAX CREDIT UNDER THIS SECTION, AND WHO SUBSEQUENTLY VIOLATES THE SOIL  
6 CONSERVATION AND WATER QUALITY PLAN OR NUTRIENT MANAGEMENT PLAN IN  
7 EFFECT ON A PROPERTY, SHALL BE LIABLE FOR A PENALTY OF TWICE THE AMOUNT  
8 OF ALL PROPERTY TAXES THAT THE OWNER WOULD HAVE BEEN LIABLE FOR ON THE  
9 PROPERTY IF A PROPERTY TAX CREDIT HAD NOT BEEN GRANTED UNDER THIS  
10 SECTION, CALCULATED FROM THE DATE OF NOTICE OF THE VIOLATION FROM THE  
11 COUNTY.

12           (II)    A PROPERTY OWNER MAY NOT BE LIABLE UNDER  
13 SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR A SOIL CONSERVATION AND WATER  
14 QUALITY PLAN VIOLATION THAT IS REMEDIED AND APPROVED BY THE COUNTY SOIL  
15 CONSERVATION DISTRICT WITHIN 1 YEAR AFTER THE DATE OF THE NOTICE OF THE  
16 VIOLATION FROM THE COUNTY.

17           (III)   A PROPERTY OWNER MAY NOT BE LIABLE UNDER  
18 SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR A NUTRIENT MANAGEMENT PLAN  
19 VIOLATION THAT IS REMEDIED AND APPROVED BY THE MARYLAND DEPARTMENT OF  
20 AGRICULTURE OR A CERTIFIED NUTRIENT MANAGEMENT CONSULTANT WITHIN 1  
21 YEAR AFTER THAT DATE OF NOTICE OF VIOLATION.

22           (C)     AS PROVIDED IN THE STATE BUDGET, THE STATE SHALL REMIT TO EACH  
23 COUNTY AN AMOUNT EQUAL TO THE FUNDS THAT WOULD HAVE BEEN COLLECTED  
24 IF THE PROPERTY TAX CREDIT UNDER THIS SECTION HAD NOT BEEN GRANTED.

25           (D)     (1)     QUARTERLY OR MORE FREQUENTLY, THE COUNTY SHALL SUBMIT A  
26 REQUEST TO THE DEPARTMENT OF ASSESSMENTS AND TAXATION FOR THE AMOUNT  
27 REQUIRED BY SUBSECTION (C) OF THIS SECTION.

28           (2)     WITHIN 5 WORKING DAYS AFTER THE DEPARTMENT OF  
29 ASSESSMENTS AND TAXATION RECEIVES THE REQUEST FROM THE COUNTY, THE  
30 DEPARTMENT SHALL CERTIFY TO THE COMPTROLLER THE REIMBURSEMENT DUE TO  
31 EACH COUNTY.

32           (3)     WITHIN 5 WORKING DAYS AFTER THE COMPTROLLER RECEIVES THE  
33 CERTIFICATION FROM THE DEPARTMENT, THE COMPTROLLER SHALL REIMBURSE  
34 EACH COUNTY.

35     SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 9-226 of  
36 Article - Tax - Property of the Annotated Code of Maryland be repealed.

37     SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
38 July 1, 1999.