

SENATE BILL 651

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1999 Regular Session
9lr2154
CF 9lr2153

By: **Senator Baker**

Introduced and read first time: February 10, 1999

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Kent County - Property Tax Credit - Businesses That Create New Jobs**

3 FOR the purpose of altering, for the purpose of qualifying for a certain property tax
4 credit in Kent County, the number of individuals employed by certain businesses
5 in certain new permanent full-time positions; and generally relating to a
6 property tax credit for businesses that create new jobs in Kent County.

7 BY repealing and reenacting, without amendments,
8 Article - Tax - Property
9 Section 9-230(b)
10 Annotated Code of Maryland
11 (1994 Replacement Volume and 1998 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article - Tax - Property
14 Section 9-230(c)
15 Annotated Code of Maryland
16 (1994 Replacement Volume and 1998 Supplement)

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

19 **Article - Tax - Property**

20 9-230.

21 (b) (1) The Mayor and City Council of Baltimore City or the governing body
22 of a county or of a municipal corporation may grant, by law, a property tax credit
23 against the county or municipal corporation property tax imposed on real property
24 owned or leased by a business entity that meets the requirements specified under
25 subsection (c)(1) and (2) of this section and on personal property owned by that
26 business entity that meets the requirements specified under subsection (d) of this
27 section.

1 (2) If a property tax credit is granted under paragraph (1) of this
2 subsection, a business entity that meets the requirements specified under subsection
3 (c)(3) of this section may claim a State tax credit against the individual or corporate
4 income tax, insurance premiums tax, financial institution franchise tax, or public
5 service company franchise tax as provided under subsection (f) of this section.

6 (c) (1) To qualify for a tax credit under this section, a business entity shall:

7 (i) construct or expand by at least 5,000 square feet the premises
8 on which it conducts its business, through purchasing or constructing new premises
9 or by leasing new premises; and

10 (ii) 1. EXCEPT AS PROVIDED IN ITEM 2 OF THIS SUBPARAGRAPH,
11 employ at least 25 individuals in new permanent full-time positions in the new or
12 expanded premises; OR

13 2. IN KENT COUNTY, EMPLOY AT LEAST 10 INDIVIDUALS IN
14 NEW PERMANENT FULL-TIME POSITIONS IN THE NEW OR EXPANDED PREMISES.

15 (2) A tax credit may not be granted under this section if:

16 (i) the business entity has moved its operations from one political
17 subdivision in the State to another;

18 (ii) the new or expanded premises has otherwise been granted a tax
19 credit or exemption under this article for the taxable year; or

20 (iii) the business entity has been certified for a tax credit under
21 Article 83A, § 5-1102 of the Code.

22 (3) In addition to the requirements under paragraphs (1) and (2) of this
23 subsection, to qualify for a tax credit under this section, the new or expanded
24 premises must be located in a priority funding area as designated in Title 5, Subtitle
25 7B of the State Finance and Procurement Article.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 1999.