
By: **Prince George's County Delegation**
Introduced and read first time: February 11, 2000
Assigned to: Ways and Means

Committee Report: Favorable
House action: Adopted
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CHAPTER _____

1 AN ACT concerning

2 **Prince George's County - Property and Income Taxes - Neighborhood**
3 **Stabilization Credits**
4 **PG 408-00**

5 FOR the purpose of authorizing the governing body of Prince George's County to
6 grant, by law, a property tax credit against county property tax imposed on
7 certain owner-occupied, residential real property; allowing certain property
8 owners a credit against State income tax for certain property tax paid; providing
9 for the eligibility criteria for the credit; providing for the phase-out of the credit;
10 specifying the taxable year in which the tax credit is first applicable; requiring
11 the County Executive of Prince George's County to hold a public hearing prior to
12 final designation of eligible areas; providing for the method of and criteria for
13 selection of geographic areas eligible to receive the credit; providing for the
14 termination of the property tax credit on the sale of the property; providing for
15 the applicability of this Act; and generally relating to credits against certain
16 county property taxes and the State income tax for property tax paid for certain
17 residential real property.

18 BY repealing and reenacting, with amendments,
19 Article - Tax - General
20 Section 10-707(a) and (b)
21 Annotated Code of Maryland
22 (1997 Replacement Volume and 1999 Supplement)

23 BY adding to
24 Article - Tax - Property

1 Section 9-318(d)
2 Annotated Code of Maryland
3 (1994 Replacement Volume and 1999 Supplement)

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

6 **Article - Tax - General**

7 10-707.

8 (a) An individual may claim a credit against the State income tax for a taxable
9 year in the amount specified in subsection (b) of this section for property tax paid in
10 that taxable year for owner-occupied, residential real property that is granted a
11 property tax credit under § 9-318(D) OR § 9-326 of the Tax - Property Article.

12 (b) The credit shall equal the amount of the property tax credit granted for
13 property tax paid under § 9-318(D) OR § 9-326 of the Tax - Property Article.

14 **Article - Tax - Property**

15 9-318.

16 (D) (1) THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY MAY GRANT,
17 BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY PROPERTY TAX IMPOSED
18 ON OWNER-OCCUPIED, RESIDENTIAL REAL PROPERTY THAT IS PURCHASED FROM
19 JULY 1, 2000 THROUGH JUNE 30, 2002, SPECIFIC TO TWO GEOGRAPHIC AREAS OF
20 PRINCE GEORGE'S COUNTY THAT:

21 (I) CONTAIN UP TO 2,500 SINGLE-FAMILY DWELLINGS IN THE
22 AGGREGATE; AND

23 (II) ARE DESIGNATED BY THE COUNTY EXECUTIVE OF PRINCE
24 GEORGE'S COUNTY FOR PARTICIPATION IN A DEMONSTRATION PROJECT FOR
25 NEIGHBORHOOD PRESERVATION AND STABILIZATION.

26 (2) IN ORDER TO QUALIFY FOR THE CREDIT UNDER THIS SUBSECTION:

27 (I) FOR THE 12-MONTH PERIOD IMMEDIATELY PRIOR TO
28 PURCHASING THE PROPERTY, THE INDIVIDUAL'S PRINCIPAL RESIDENCE MAY NOT
29 HAVE BEEN LOCATED IN THE GEOGRAPHIC AREAS DESIGNATED UNDER THIS
30 SUBSECTION, UNLESS THE INDIVIDUAL WAS NOT AN OWNER OF THE PROPERTY
31 THAT WAS THE INDIVIDUAL'S PRINCIPAL RESIDENCE;

32 (II) THE DESIGNATED GEOGRAPHIC AREAS SHALL BE LOCATED
33 WITHIN TWO OF THE FOLLOWING AREAS:

34 1. A PRIORITY FUNDING AREA, AS DEFINED IN § 5-7B-02 OF
35 THE STATE FINANCE AND PROCUREMENT ARTICLE;

1 PROPERTY TAX CREDIT UNDER THIS SUBSECTION, A STATEMENT CERTIFYING
2 QUALIFICATION FOR THE PROPERTY TAX CREDIT AND THE AMOUNT OF THE
3 PROPERTY TAX CREDIT BEING GRANTED. THE STATEMENT MAY BE PROVIDED ON OR
4 WITH THE ANNUAL PROPERTY TAX BILL OR IN ANOTHER MANNER AS CHOSEN BY
5 THE LOCAL GOVERNMENT.

6 (8) IN ORDER TO BE ELIGIBLE FOR A PROPERTY TAX CREDIT UNDER
7 THIS SUBSECTION, AN INDIVIDUAL SHALL APPLY FOR THE CREDIT AT LEAST 6
8 MONTHS AFTER THE TITLE TO THE RESIDENTIAL PROPERTY HAS BEEN
9 TRANSFERRED TO THE INDIVIDUAL.

10 (9) THE PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION
11 TERMINATES ON THE SALE OF THE PROPERTY.

12 SECTION 2. AND BE IT FURTHER ENACTED, That on or before October 1,
13 2002, in accordance with § 2-1246 of the State Government Article, the County
14 Executive of Prince George's County shall report to the General Assembly on the
15 impact of this Act on the neighborhoods that are targeted.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 June 1, 2000, and shall be applicable to all taxable years for income tax purposes
18 beginning after December 31, 2000.