
By: **Chairman, Rules and Executive Nominations Committee**

(Departmental - Stadium Authority)

Introduced and read first time: February 18, 2000

Assigned to: Rules and Executive Nominations

Re-referred to: Appropriations, February 28, 2000

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2000

CHAPTER _____

1 AN ACT concerning

2 **Economic Development - Maryland Stadium Authority - Hippodrome**
3 **Performing Arts Center**

4 FOR the purpose of authorizing the Maryland Stadium Authority to provide for the
5 development and construction of the Hippodrome Performing Arts Center in
6 Baltimore City; altering the Authority's powers; providing that certain lease
7 payments to the Authority appropriated by the State for certain facilities be
8 maintained in certain funds; authorizing the Authority to exercise certain
9 general corporate powers to become a member of a certain limited liability
10 company; placing certain restrictions on the issuance of certain bonds by the
11 Authority; prohibiting the Authority from closing on the sale of certain bonds or
12 otherwise borrowing money in excess of a certain amount with respect to the
13 Hippodrome Performing Arts Center facility unless the Authority has secured
14 certain written agreements with the University System of Maryland and an
15 Authority affiliate and certain agreements for payments to fund the capital
16 costs of construction of the Hippodrome Performing Arts Center facility;
17 requiring the Authority, in cooperation with the Office of the Comptroller and
18 the Department of Budget and Management, to submit an annual report on the
19 additional tax revenues generated by the Hippodrome Performing Arts Center
20 facility; providing for certain income, premium, franchise, property, and
21 recordation and transfer tax consequences of holding an interest in the
22 Hippodrome Performing Arts Center facility; providing for the effective date of
23 this Act; and generally relating to the authority of the Maryland Stadium
24 Authority to provide for the development and construction of the Hippodrome
25 Performing Arts Center facility.

1 BY repealing and reenacting, without amendments,
2 Article - Financial Institutions
3 Section 13-701(a)
4 Annotated Code of Maryland
5 (1998 Replacement Volume and 1999 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article - Financial Institutions
8 Section 13-701(s), 13-708(a)(7), (17), and (18), 13-711(d)(3) and (e),
9 13-712(a)(1)(i), 13-712.1(1), (6)(iii)2.C., and (7)(v) and (vi), 13-717.2, and
10 13-719(8) and (9)
11 Annotated Code of Maryland
12 (1998 Replacement Volume and 1999 Supplement)

13 BY adding to
14 Article - Financial Institutions
15 Section 13-701(t), 13-708(a)(17) and (18), 13-712(a)(1)(vi), 13-712.1(8), and
16 13-719(10)
17 Annotated Code of Maryland
18 (1998 Replacement Volume and 1999 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article - Insurance
21 Section 6-105.2
22 Annotated Code of Maryland
23 (1997 Volume and 1999 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article - Tax - General
26 Section 8-208.1, 8-406.1, 10-308(b), and 10-704.5
27 Annotated Code of Maryland
28 (1997 Replacement Volume and 1999 Supplement)

29 BY adding to
30 Article - Tax - General
31 Section 10-208(o)
32 Annotated Code of Maryland
33 (1997 Replacement Volume and 1999 Supplement)

34 BY adding to
35 Article - Tax - Property
36 Section 12-108(aa), 13-207(a)(20), and 13-403.1
37 Annotated Code of Maryland

1 (1994 Replacement Volume and 1999 Supplement)

2 BY repealing and reenacting, with amendments,

3 Article - Tax - Property

4 Section 13-207(a)(18) and (19)

5 Annotated Code of Maryland

6 (1994 Replacement Volume and 1999 Supplement)

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

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

9 **Article - Financial Institutions**

10 13-701.

11 (a) In this subtitle the following words have the meanings indicated.

12 (s) "Hippodrome Performing Arts Center site" means a site in Baltimore City
13 that includes the properties known as:

14 (1) The Eutaw Building, 400-410 West Baltimore Street, described in
15 the Baltimore City Land Records [as Ward 4, Section 8, Block 631, Lot 18] IN LIBER
16 S.E.B. 4934, FOLIO 1;

17 (2) [(i)] The Baltimore Grand, 401 West Fayette Street, [described in
18 the Baltimore City Land Records as Ward 4, Section 8, Block 631, Lot 13; and] ALSO
19 KNOWN AS THE

20 [(ii) The unit known as the] Catering Unit of the GASLAMP SQUARE
21 Condominium [Regime], DESCRIBED IN CONDOMINIUM DECLARATION recorded in
22 the Baltimore City Land Records at Liber S.E.B. 2558, Folio 513, and [as described]
23 IN DEEDS RECORDED at Liber S.E.B. [494] 1494, Folio 471, Liber S.E.B. 1494, Folio
24 475, and Liber S.E.B. 1789, Folio 574;

25 (3) The Hippodrome Theatre, 12 North Eutaw Street, described in the
26 Baltimore City Land Records [as Ward 4, Section 8, Block 631, Lot 17; and] IN LIBER
27 S.E.B. 6259, FOLIO 38;

28 (4) Two vacant lots, 412 and 414 West Baltimore Street, described in the
29 Baltimore City Land Records [as Ward 4, Section 8, Block 631, Lots 1 and 2;] IN
30 LIBER R.H.B. 3374, FOLIO 225; AND

31 (5) 416 WEST BALTIMORE STREET, DESCRIBED IN THE BALTIMORE CITY
32 LAND RECORDS IN LIBER J.F.C. 960, FOLIO 199.

33 (T) "AUTHORITY AFFILIATE" MEANS ANY CORPORATION, PARTNERSHIP,
34 LIMITED LIABILITY COMPANY OR OTHER ENTITY, WHETHER ORGANIZED ON A FOR
35 PROFIT OR NOT FOR PROFIT BASIS, IF THE AUTHORITY DIRECTLY OR INDIRECTLY

1 OWNS ANY OUTSTANDING SHARES OF CAPITAL STOCK, PARTNERSHIP INTERESTS,
2 MEMBERSHIP INTERESTS, OR OTHER EQUITY INTERESTS OF SUCH ENTITY.

3 13-708.

4 (a) In addition to the powers set forth elsewhere in this subtitle, the Authority
5 may:

6 (7) Review and make recommendations on proposed convention center
7 facilities AND THE HIPPODROME PERFORMING ARTS CENTER FACILITY, including the
8 expansion and enhancement of the Baltimore City Convention Center and the Ocean
9 City Convention Center and the development and construction of the Montgomery
10 County Conference Center AND THE HIPPODROME PERFORMING ARTS CENTER, with
11 respect to location, purpose, design, function, capacity, parking, costs, funding
12 mechanisms, and revenue alternatives, with specific recommendations on:

- 13 (i) The level of support from the private sector;
14 (ii) The type of support from the private sector;
15 (iii) Special taxing sources;
16 (iv) Projected revenues;
17 (v) Bonding authority and the source of debt service; and
18 (vi) The fiscal impact on the State of any alternatives;

19 (17) WITH RESPECT TO SITE ACQUISITION, CONSTRUCTION, AND
20 DEVELOPMENT OF THE HIPPODROME PERFORMING ARTS CENTER FACILITY,
21 ESTABLISH AND PARTICIPATE IN AUTHORITY AFFILIATES;

22 (18) WITH RESPECT TO SITE ACQUISITION, CONSTRUCTION, AND
23 DEVELOPMENT OF THE HIPPODROME PERFORMING ARTS CENTER FACILITY,
24 TRANSFER, OR PERMIT ANY AUTHORITY AFFILIATE TO TRANSFER, TO ANY
25 INDIVIDUAL OR ENTITY (A "TRANSFeree") THE FULL AMOUNT OF ANY STATE OR
26 LOCAL TAX CREDIT TO WHICH THE AUTHORITY OR AUTHORITY AFFILIATE WOULD
27 BE ENTITLED IF IT WERE SUBJECT TO THE TAX AGAINST WHICH THE CREDIT IS
28 ALLOWED;

29 [(17)] (19) Impose the admissions and amusement tax authorized under
30 § 4-102 of the Tax - General Article; and

31 [(18)] (20) Do all things necessary or convenient to carry out the powers
32 granted by this subtitle.

33 13-711.

34 (d) (3) Lease payments to the Maryland Stadium Authority appropriated by
35 the State of Maryland shall be transferred to:

1 (i) If appropriated for a sports facility or other facility at Camden
2 Yards, the Maryland Stadium Authority Financing Fund;

3 (ii) If appropriated for a Baltimore Convention Center facility, the
4 Baltimore Convention Center Fund;

5 (iii) If appropriated for an Ocean City Convention Center facility,
6 the Ocean City Convention Center Fund; [or]

7 (iv) If appropriated for a Montgomery County Conference Center
8 facility, the Montgomery County Conference Center Fund; OR

9 (V) IF APPROPRIATED FOR A HIPPODROME PERFORMING ARTS
10 CENTER FACILITY, THE HIPPODROME PERFORMING ARTS CENTER FINANCING FUND.

11 (e) For any acquisition of real or personal property, or interest in property
12 other than the Camden Yards site, Baltimore Convention Center site, Ocean City
13 Convention Center site, or Hippodrome Performing Arts Center site, in any county
14 where planning, zoning, and development regulations have legal status, the Authority
15 AND ANY AUTHORITY AFFILIATE shall comply with and is subject to those regulations
16 to the same extent as a private commercial or industrial enterprise.

17 13-712.

18 (a) (1) (i) Subject to the prior approval of the Board of Public Works and
19 the provisions of subparagraphs (ii), (iii), (iv), [and] (v), AND (VI) of this paragraph,
20 the Authority may at any time and from time to time issue bonds for any corporate
21 purpose, including the establishment of reserves and the payment of interest. In this
22 subtitle the term "bonds" includes notes of any kind, interim certificates, refunding
23 bonds, or any other evidence of obligation and "tax supported debt" of the State has
24 the meaning assigned to such term in § 8-104 of the State Finance and Procurement
25 Article.

26 (VI) UNLESS AUTHORIZED BY THE GENERAL ASSEMBLY, THE
27 BOARD OF PUBLIC WORKS MAY NOT GIVE APPROVAL TO AN ISSUANCE BY THE
28 AUTHORITY OF BONDS THAT CONSTITUTE TAX SUPPORTED DEBT OF THE STATE FOR
29 THE HIPPODROME PERFORMING ARTS CENTER FACILITY IF, AFTER ISSUANCE,
30 THERE WOULD BE OUTSTANDING AND UNPAID MORE THAN \$12,000,000 FACE
31 AMOUNT OF SUCH BONDS, WHETHER TAXABLE OR TAX EXEMPT, FOR THE PURPOSE
32 OF FINANCING ACQUISITION, CONSTRUCTION, AND RELATED EXPENSES FOR
33 CONSTRUCTION MANAGEMENT, PROFESSIONAL FEES, AND CONTINGENCIES OF THE
34 HIPPODROME PERFORMING ARTS CENTER FACILITY.

35 13-712.1.

36 The Authority may not close on the sale of bonds which constitute tax supported
37 debt of the State, and may not otherwise borrow money in amounts exceeding \$35,000
38 per year, to finance any segment of a facility unless the Authority:

1 (1) Has certified to the Legislative Policy Committee and the Board of
2 Public Works that the Authority has endeavored to maximize private investment in
3 the sports facility OR IN THE HIPPODROME PERFORMING ARTS CENTER FACILITY
4 proposed to be financed and, with respect to a baseball or football stadium, to
5 maximize the State's ability to assure that the professional baseball and football
6 franchises will remain permanently in Maryland. This certification shall be
7 supported by a detailed report outlining these efforts;

8 (6) With respect to site acquisition and construction of an Ocean City
9 Convention Center facility, has secured, as approved by the Board of Public Works:

10 (iii) A written agreement with Ocean City:

11 2. That includes provisions that:

12 C. Provide for remedies upon default which include the right
13 of the Authority, in the event of a material default by Ocean City which has not been
14 corrected after a reasonable notice and cure period, to immediately assume
15 responsibility for maintenance and repairs of the Ocean City Convention Center
16 facility and offset the costs of such maintenance and repairs against other amounts
17 owed by the Authority to Ocean City, whether under the operating agreement with
18 Ocean City or otherwise; [and]

19 (7) With respect to site acquisition and construction of the Montgomery
20 County Conference Center facility, has secured, as approved by the Board of Public
21 Works:

22 (v) An agreement between Montgomery County and the Authority
23 that may allow for the establishment of a board of directors to manage the
24 Montgomery County Conference Center, that provides that the board of directors may
25 include representatives of the Authority, Montgomery County, the private developer,
26 and the community, and that provides that unless action is taken to create a joint
27 venture, corporation, or other legal entity, the board of directors is not a separate
28 legal entity; [and]

29 (vi) An agreement among Montgomery County, the Authority, and a
30 private developer for the acquisition, construction, and operation of a hotel adjacent
31 to the Montgomery County Conference Center and providing for a capital
32 commitment from such developer for such hotel and, as appropriate, shared facilities;
33 AND

34 (8) WITH RESPECT TO SITE ACQUISITION AND CONSTRUCTION OF THE
35 HIPPODROME PERFORMING ARTS CENTER FACILITY, HAS SECURED, AS APPROVED BY
36 THE BOARD OF PUBLIC WORKS:

37 (I) ONE OR MORE WRITTEN AGREEMENTS ESTABLISHING
38 COMMITMENTS FOR PAYMENTS TO THE AUTHORITY OF AMOUNTS WHICH SHALL BE
39 USED BY THE AUTHORITY TO FUND THE ~~\$53,000,000~~ \$56,000,000 OF TOTAL CAPITAL
40 COSTS OF CONSTRUCTION OF THE HIPPODROME PERFORMING ARTS CENTER
41 FACILITY AND PURSUANT TO WHICH:

1 1. BALTIMORE CITY AGREES TO PAY \$6,000,000, \$2,000,000 OF
2 WHICH SHALL BE DEPOSITED TO THE HIPPODROME PERFORMING ARTS CENTER
3 FINANCING FUND BY JULY 1, 2000, AND \$4,000,000 OF WHICH EITHER SHALL BE
4 DEPOSITED TO THE HIPPODROME PERFORMING ARTS CENTER FINANCING FUND BY
5 NOT LATER THAN THE DATE OF THE AUTHORITY'S BOND ISSUANCE AS AUTHORIZED
6 UNDER § 13-712(A)(1) OF THIS SUBTITLE OR WHICH SHALL BE DEPOSITED TO THE
7 HIPPODROME PERFORMING ARTS CENTER FINANCING FUND IN \$2,000,000
8 INCREMENTS IN EACH OF THE NEXT 2 SUCCEEDING YEARS FROM THE PROCEEDS OF
9 BOND ISSUANCES WHICH SHALL HAVE RECEIVED VOTER APPROVAL BY NOT LATER
10 THAN THE DATE OF THE AUTHORITY'S BOND ISSUANCE AS AUTHORIZED UNDER §
11 13-712(A)(1) OF THIS SUBTITLE;

12 2. THE STATE OF MARYLAND HAS DEPOSITED TO THE
13 HIPPODROME PERFORMING ARTS CENTER FINANCING FUND, AN AGGREGATE
14 AMOUNT OF ~~\$15,000,000~~ \$16,500,000;

15 3. THE AUTHORITY AGREES TO ISSUE BONDS AS
16 AUTHORIZED UNDER § 13-712(A)(1) OF THIS SUBTITLE AND TO USE \$10,000,000 OF THE
17 PROCEEDS FROM THE SALE OF SUCH BONDS IN THE MANNER AND FOR THE
18 PURPOSES DESCRIBED IN THIS SUBSECTION; AND

19 4. ONE OR MORE PRIVATE ENTITIES, WHICH MAY INCLUDE
20 AN AUTHORITY AFFILIATE ("PRIVATE FUNDING SOURCES");

21 A. DEPOSIT TO THE HIPPODROME PERFORMING ARTS
22 CENTER FINANCING FUND, NOT LATER THAN THE DATE OF THE AUTHORITY'S BOND
23 ISSUANCE AS AUTHORIZED UNDER § 13-712(A)(1) OF THIS SUBTITLE, AT LEAST
24 \$8,000,000, AND AGREE, NOT LATER THAN THE DATE OF THE AUTHORITY'S BOND
25 ISSUANCE AS AUTHORIZED UNDER § 13-712(A)(1) OF THIS SUBTITLE, TO PAY AN
26 ADDITIONAL ~~\$14,000,000~~ \$15,500,000; AND

27 B. AGREE, BY NOT LATER THAN THE DATE OF THE
28 AUTHORITY'S BOND ISSUANCE AS AUTHORIZED UNDER § 13-712(A)(1) OF THIS
29 SUBTITLE, TO PAY ALL ACTUAL CAPITAL COSTS OF CONSTRUCTION OF THE
30 HIPPODROME PERFORMING ARTS CENTER FACILITY TO THE EXTENT SUCH COSTS
31 ARE IN EXCESS OF ~~\$53,000,000~~ \$56,000,000;

32 (II) A WRITTEN AGREEMENT WITH THE UNIVERSITY SYSTEM OF
33 MARYLAND PURSUANT TO WHICH THE UNIVERSITY SYSTEM OF MARYLAND AGREES
34 TO TRANSFER TO THE AUTHORITY FEE TITLE TO THE PROPERTY DESCRIBED IN §
35 13-701(S)(3) OF THIS SUBTITLE; AND

36 (III) A WRITTEN AGREEMENT WITH AN AUTHORITY AFFILIATE
37 WHEREBY THE AUTHORITY AFFILIATE AGREES:

38 1. TO MARKET, PROMOTE, AND OPERATE OR CONTRACT,
39 SUBJECT TO THE APPROVAL OF THE AUTHORITY, FOR THE MARKETING, PROMOTION,
40 AND OPERATION OF THE HIPPODROME PERFORMING ARTS CENTER FACILITY;

1 (2) No part of the HIPPODROME PERFORMING ARTS CENTER FINANCING
2 Fund may revert or be credited to the General Fund or any other special fund of the
3 State.

4 (d) The Authority shall pay any and all expenses incurred by the Authority
5 concerning the Hippodrome Performing Arts Center facility from the HIPPODROME
6 PERFORMING ARTS CENTER FINANCING Fund.

7 (E) (1) TO THE EXTENT DEEMED APPROPRIATE BY THE AUTHORITY, THE
8 RECEIPTS OF THE HIPPODROME PERFORMING ARTS CENTER FINANCING FUND
9 SHALL BE PLEDGED TO AND CHARGED WITH THE PAYMENT OF DEBT SERVICE ON
10 AUTHORITY BONDS FOR THE HIPPODROME PERFORMING ARTS CENTER FACILITY
11 AND ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY
12 BORROWING AND THE MANAGEMENT OF AUTHORITY OBLIGATIONS RELATED TO THE
13 HIPPODROME PERFORMING ARTS CENTER FACILITY.

14 (2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 13-712(C) OF
15 THIS SUBTITLE.

16 [(e)] (F) (1) The HIPPODROME PERFORMING ARTS CENTER FINANCING
17 Fund shall be invested and reinvested by the [State] Treasurer in the same manner
18 as State funds.

19 (2) Any investment earnings shall be transferred to the credit of the
20 HIPPODROME PERFORMING ARTS CENTER FINANCING Fund.

21 13-719.

22 In addition to the duties set forth elsewhere in this subtitle, the Authority shall:

23 (8) Submit annually a report prepared in cooperation with the Office of
24 the Comptroller and the Department of Budget and Management on the additional
25 tax revenues generated by the Ocean City Convention Center facility; [and]

26 (9) Submit annually a report prepared in cooperation with the Office of
27 the Comptroller and the Department of Budget and Management on the additional
28 tax revenues generated by the Montgomery County Conference Center facility; AND

29 (10) SUBMIT ANNUALLY A REPORT PREPARED IN COOPERATION WITH
30 THE OFFICE OF THE COMPTROLLER AND THE DEPARTMENT OF BUDGET AND
31 MANAGEMENT ON THE ADDITIONAL TAX REVENUES GENERATED BY THE
32 HIPPODROME PERFORMING ARTS CENTER FACILITY.

33 **Article - Insurance**

34 6-105.2.

35 (A) A person subject to the tax imposed under this subtitle may claim a credit
36 against the tax for a certified rehabilitation as provided under Article 83B, § 5-801 of
37 the Code.

1 (B) IN THE CASE OF ANY CREDIT UNDER SUBSECTION (A) OF THIS SECTION
2 THAT IS EARNED BY THE MARYLAND STADIUM AUTHORITY OR ANY AUTHORITY
3 AFFILIATE (WITHIN THE MEANING OF § 13-701(T) OF THE FINANCIAL INSTITUTIONS
4 ARTICLE), THE FULL AMOUNT OF SUCH CREDIT THAT IS TRANSFERRED TO ANY
5 INDIVIDUAL, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
6 OTHER ENTITY (A "TRANSFEREE") UNDER § 13-708(A)(18) OF THE FINANCIAL
7 INSTITUTIONS ARTICLE SHALL BE ALLOWED AS A CREDIT AGAINST THE TAX
8 IMPOSED UNDER THIS SUBTITLE ON THE TRANSFEREE OR, IN THE CASE OF A
9 TRANSFEREE TREATED AS A PARTNERSHIP FOR INCOME TAX PURPOSES, AGAINST
10 THE TAX IMPOSED UNDER THIS SUBTITLE UPON THE DIRECT OR INDIRECT
11 PARTNERS, MEMBERS, OR OTHER EQUITY OWNERS OF THE TRANSFEREE IN
12 PROPORTION TO THEIR RESPECTIVE INTERESTS IN THE TRANSFEREE.

13

Article - Tax - General

14 8-208.1.

15 (A) A financial institution may claim a credit against the financial institution
16 franchise tax for a certified rehabilitation as provided under Article 83B, § 5-801 of
17 the Code.

18 (B) IN THE CASE OF ANY CREDIT UNDER SUBSECTION (A) OF THIS SECTION
19 THAT IS EARNED BY THE MARYLAND STADIUM AUTHORITY OR ANY AUTHORITY
20 AFFILIATE (WITHIN THE MEANING OF § 13-701(T) OF THE FINANCIAL INSTITUTIONS
21 ARTICLE), THE FULL AMOUNT OF SUCH CREDIT THAT IS TRANSFERRED TO ANY
22 INDIVIDUAL, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
23 OTHER ENTITY (A "TRANSFEREE") UNDER § 13-708(A)(18) OF THE FINANCIAL
24 INSTITUTIONS ARTICLE SHALL BE ALLOWED AS A CREDIT AGAINST THE FINANCIAL
25 INSTITUTION'S FRANCHISE TAX IMPOSED ON THE TRANSFEREE OR, IN THE CASE OF
26 A TRANSFEREE TREATED AS A PARTNERSHIP FOR INCOME TAX PURPOSES, AGAINST
27 THE FINANCIAL INSTITUTION'S FRANCHISE TAX IMPOSED UPON THE DIRECT OR
28 INDIRECT PARTNERS, MEMBERS, OR OTHER EQUITY OWNERS OF THE TRANSFEREE
29 IN PROPORTION TO THEIR RESPECTIVE INTERESTS IN THE TRANSFEREE.

30 8-406.1.

31 (A) A public service company may claim a credit against the public service
32 company franchise tax for a certified rehabilitation as provided under Article 83B, §
33 5-801 of the Code.

34 (B) IN THE CASE OF ANY CREDIT UNDER SUBSECTION (A) OF THIS SECTION
35 THAT IS EARNED BY THE MARYLAND STADIUM AUTHORITY OR ANY AUTHORITY
36 AFFILIATE (WITHIN THE MEANING OF § 13-701(T) OF THE FINANCIAL INSTITUTIONS
37 ARTICLE), THE FULL AMOUNT OF SUCH CREDIT THAT IS TRANSFERRED TO ANY
38 INDIVIDUAL, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
39 OTHER ENTITY (A "TRANSFEREE") UNDER § 13-708(A)(18) OF THE FINANCIAL
40 INSTITUTIONS ARTICLE SHALL BE ALLOWED AS A CREDIT AGAINST THE PUBLIC
41 SERVICE COMPANY FRANCHISE TAX IMPOSED ON THE TRANSFEREE OR, IN THE CASE
42 OF A TRANSFEREE TREATED AS A PARTNERSHIP FOR INCOME TAX PURPOSES,

1 AGAINST THE PUBLIC SERVICE COMPANY FRANCHISE TAX IMPOSED UPON THE
2 DIRECT OR INDIRECT PARTNERS, MEMBERS, OR OTHER EQUITY OWNERS OF THE
3 TRANSFEREE IN PROPORTION TO THEIR RESPECTIVE INTERESTS IN THE
4 TRANSFEREE.

5 10-208.

6 (O) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES
7 ANY AMOUNT RECEIVED BY ANY AUTHORITY AFFILIATE (WITHIN THE MEANING OF §
8 13-701(T) OF THE FINANCIAL INSTITUTIONS ARTICLE) IN CONSIDERATION OF THE
9 TRANSFER OF THE CREDIT ALLOWED UNDER § 10-704.5(A) OF THIS TITLE IF, AND TO
10 THE EXTENT THAT, SUCH AMOUNT IS INCLUDED IN GROSS INCOME. IN THE CASE
11 WHERE THE AUTHORITY AFFILIATE IS AN ENTITY TREATED AS A PARTNERSHIP FOR
12 INCOME TAX PURPOSES, THE SUBTRACTION SHALL BE A SUBTRACTION FROM THE
13 FEDERAL ADJUSTED GROSS INCOME OF THE DIRECT OR INDIRECT PARTNERS,
14 MEMBERS, OR OTHER EQUITY OWNERS OF THE AUTHORITY AFFILIATE IN
15 PROPORTION TO THEIR RESPECTIVE INTERESTS IN THE AUTHORITY AFFILIATE.

16 10-308.

17 (b) The subtraction under subsection (a) of this section includes the amounts
18 allowed to be subtracted for an individual under:

19 (1) § 10-208(d) of this title (Conservation tillage equipment expenses);

20 (2) § 10-208(i) of this title (Reforestation or timber stand expenses);

21 (3) § 10-208(k) of this title (Wage expenses for targeted jobs); [and]

22 (4) § 10-208(m) of this title (Poultry or livestock manure spreading
23 equipment)[.]; AND

24 (5) § 10-208(O) OF THIS TITLE (CERTAIN AMOUNTS RECEIVED BY
25 MARYLAND STADIUM AUTHORITY AFFILIATES). IN THE CASE WHERE THE
26 AUTHORITY AFFILIATE IS AN ENTITY TREATED AS A PARTNERSHIP FOR INCOME TAX
27 PURPOSES, THE SUBTRACTION SHALL BE A SUBTRACTION FROM THE FEDERAL
28 TAXABLE INCOME OF THE DIRECT OR INDIRECT PARTNERS, MEMBERS, OR OTHER
29 EQUITY OWNERS OF THE AUTHORITY AFFILIATE IN PROPORTION TO THEIR
30 RESPECTIVE INTERESTS IN THE AUTHORITY AFFILIATE.

31 10-704.5.

32 (A) An individual or corporation may claim a credit against the State income
33 tax for a certified rehabilitation as provided under Article 83B, § 5-801 of the Code.

34 (B) IN THE CASE OF ANY CREDIT UNDER SUBSECTION (A) OF THIS SECTION
35 THAT IS EARNED BY THE MARYLAND STADIUM AUTHORITY OR ANY AUTHORITY
36 AFFILIATE (WITHIN THE MEANING OF § 13-701(T) OF THE FINANCIAL INSTITUTIONS
37 ARTICLE), THE FULL AMOUNT OF SUCH CREDIT THAT IS TRANSFERRED TO ANY
38 INDIVIDUAL, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, OR

1 OTHER ENTITY (A "TRANSFEEE") UNDER § 13-708(A)(18) OF THE FINANCIAL
2 INSTITUTIONS ARTICLE SHALL BE ALLOWED AS A CREDIT AGAINST THE INCOME TAX
3 IMPOSED ON THE TRANSFEEE OR, IN THE CASE OF A TRANSFEEE TREATED AS A
4 PARTNERSHIP FOR INCOME TAX PURPOSES, AGAINST THE INCOME TAX IMPOSED
5 UPON THE DIRECT OR INDIRECT PARTNERS, MEMBERS, OR OTHER EQUITY OWNERS
6 OF THE TRANSFEEE IN PROPORTION TO THEIR RESPECTIVE INTERESTS IN THE
7 TRANSFEEE.

8

Article - Tax - Property

9 12-108.

10 (AA) AN INSTRUMENT OF WRITING PURSUANT TO WHICH THE MARYLAND
11 STADIUM AUTHORITY TRANSFERS TITLE TO, OR CREATES A LEASEHOLD INTEREST
12 IN, REAL PROPERTY IF THE TRANSFEEE OR LESSEE IS AN AUTHORITY AFFILIATE
13 WITHIN THE MEANING OF § 13-701(T) OF THE FINANCIAL INSTITUTIONS ARTICLE.

14 13-207.

15 (a) An instrument of writing is not subject to transfer tax to the same extent
16 that it is not subject to recordation tax under:

17 (18) § 12-108(y) of this article (Transfer from predecessor entity to limited
18 liability company); [or]

19 (19) § 12-108(z) of this article (Transfer from a Class I Railroad Carrier to
20 its wholly-owned limited liability company); OR

21 (20) § 12-108(AA) OF THIS ARTICLE (TRANSFERS INVOLVING CERTAIN
22 MARYLAND STADIUM AUTHORITY AFFILIATES).

23 13-403.1.

24 AN INSTRUMENT OF WRITING PURSUANT TO WHICH THE MARYLAND STADIUM
25 AUTHORITY TRANSFERS TITLE TO, OR CREATES A LEASEHOLD INTEREST IN, REAL
26 PROPERTY IF THE TRANSFEEE OR LESSEE IS AN AUTHORITY AFFILIATE WITHIN
27 THE MEANING OF § 13-701(T) OF THE FINANCIAL INSTITUTIONS ARTICLE IS NOT
28 SUBJECT TO A COUNTY TRANSFER TAX.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 July 1, 2000.

