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By: **Washington County Delegation**
Introduced and read first time: February 5, 2001
Assigned to: Ways and Means

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Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 6, 2001

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CHAPTER_____

1 AN ACT concerning

2 **Washington County - Property Tax - Credits**

3 FOR the purpose of authorizing the governing body of Washington County or of a
4   municipal corporation in Washington County to grant, by law, a property tax
5   credit against the county or municipal corporation property tax imposed on
6   certain residential real property occupied by an owner who serves as ~~either~~ a
7   volunteer firefighter, fire police, or emergency medical technician; authorizing
8   the governing body of Washington County or of a municipal corporation in
9   Washington County to provide, by law, for certain provisions relating to the
10  property tax credit; providing for the application of this Act; and generally
11  relating to a property tax credit against the county or municipal corporation
12  property tax imposed for certain owner-occupied real property.

13 BY repealing and reenacting, with amendments,
14   Article - Tax - Property
15   Section 9-323
16   Annotated Code of Maryland
17   (1994 Replacement Volume and 2000 Supplement)

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

1                             **Article - Tax - Property**

2 9-323.

3     (a)     (1)     The governing body of Washington County or of a municipal
4 corporation in Washington County may grant, by law, a property tax credit under this
5 section against the county or municipal corporation property tax imposed on:

6                 (i)     new construction or on an improvement to existing property;

7                 (ii)     property that is:

8                       1.     owned by a nonprofit civic association;

9                       2.     used only for a community, civic, educational, or library
10 purpose; and

11                       3.     unless the compensation is used only to improve or
12 maintain the property, use of the property is not contingent on the payment of
13 compensation for admission to or use of the property and failure to pay compensation
14 is not a reason to deny admission to or use of the property;

15                 (iii)     real property that is owned by the Women's Club of
16 Hagerstown, Inc.; [or]

17                 (iv)     property that is owned by the Rohrersville Cornet Band of
18 Washington County; OR

19                 (V)     REAL PROPERTY THAT IS OWNED AND OCCUPIED AS THE
20 PRINCIPAL RESIDENCE OF AN INDIVIDUAL SERVING AS:

21                       1.     A VOLUNTEER FIREFIGHTER;

22                       2.     A MEMBER OF THE FIRE POLICE; OR

23                       3.     AN EMERGENCY MEDICAL TECHNICIAN.

24         (2)     The law adopted under paragraph (1)(i) of this subsection shall
25 specify:

26                 (i)     the qualifications for the tax credit;

27                 (ii)     the amount of the property tax credit, based on a percentage of
28 the cost of any new construction or of any improvement to existing property, and not
29 based on the increase in the assessment; and

30                 (iii)     the duration of the tax credit.

31                 (3)     IN AUTHORIZING A CREDIT UNDER PARAGRAPH (1)(V) OF THIS
32 SUBSECTION, THE GOVERNING BODY OF THE COUNTY OR MUNICIPAL CORPORATION
33 MAY PROVIDE, BY LAW, FOR:

1                         (I)        THE AMOUNT OF THE CREDIT;

2                         (II)       THE DURATION OF THE CREDIT; AND

3                         (III)      ANY OTHER PROVISION NECESSARY TO ADMINISTER THE
4  CREDIT.

5      (b)     (1)     The governing body of Washington County shall grant a property tax
6  credit under this section against the county property tax imposed on:

7                      (i)       property that is owned by the District 15 Civic Association,
8  Incorporated, of Big Pool, Maryland; and

9                      (ii)      real property on which an improvement is made to an existing
10  structure that is located in a historic district.

11             (2)      A property tax credit granted under paragraph (1)(ii) of this
12  subsection shall be:

13                      (i)       the following percentage of the increase that is due to the
14  improvement:

15                              1.       100% of the increase in the assessment of the real property
16  in the 1st and 2nd taxable years that the improved structure is subject to the county
17  property tax;

18                              2.       80% of the increase in the assessment of the real property
19  in the 3rd taxable year that the improved structure is subject to the county property
20  tax;

21                              3.       60% of the increase in the assessment of the real property
22  in the 4th taxable year that the improved structure is subject to the county property
23  tax;

24                              4.       40% of the increase in the assessment of the real property
25  in the 5th taxable year that the improved structure is subject to the county property
26  tax; and

27                      (ii)      ended after the 5th taxable year that the improved structure is
28  subject to county property tax.

29      (c)     The governing body of Washington County may grant, by law, a property
30  tax credit under this section against the county property tax imposed on:

31             (1)      personal property that is owned by Mid-East Milk Lab Services,
32  Incorporated; and

33             (2)      real property that is subject to the county's agricultural land
34  preservation program.

1    (d)    (1)    In this subsection, "qualifying business" means an industrial or
2  commercial business that is or will be doing business in Washington County,
3  employing five or more full-time employees on a regular basis, and that is initially
4  building or making substantial improvements or otherwise undertaking new
5  construction work.

6          (2)    Notwithstanding § 9-301(b) of this subtitle and subject to paragraph
7  (4) of this subsection, the governing body of Washington County may grant to a
8  qualifying business a property tax credit against all or part of the county property tax
9  levied on real or personal property of the qualifying business for a period not
10  exceeding 5 years.

11         (3)    A property tax credit granted under this subsection may phase in the
12  payment of county property taxes over the period of the credit.

13         (4)    The governing body of Washington County may grant a property tax
14  credit under this subsection only at a public meeting. The decision of the governing
15  body shall be included in its minutes.

16    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17  ~~July 1, 2001.~~ June 1, 2001 and shall be applicable to all taxable years beginning after
18  June 30, 2001.