

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL NO. 759

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, strike “commercial”; in line 5, strike “proposed” and substitute “estimated”; strike beginning with “approved” in line 5 down through “Trust” in line 6 and substitute “as stated in the application for approval of a plan of proposed rehabilitation; limiting the amount of State tax credit allowed for any rehabilitation”; strike beginning with “limiting” in line 9 down through “amount” in line 10 and substitute “providing that certain structures do not qualify as certified heritage structures for purposes of the credit”; and strike beginning with “providing” in line 15 down through “basis;” in line 25.

On page 2, strike beginning with “requiring” in line 2 down through “circumstances” in line 4 and substitute “providing for the termination of the credit as of a certain date; stating the intent of the General Assembly regarding the estimated rehabilitation expenditures for approved proposed commercial projects for the purposes of the credit for any calendar year; requiring the Department of Legislative Services to monitor the approval of proposed commercial rehabilitation projects for the purposes of the credit and to take certain actions relating to the credit under certain circumstances”.

AMENDMENT NO. 2

On page 3, in line 5, strike “is” and substitute”;

1. IS”;

strike beginning with the third comma in line 5 down through “Article” in line 7 and substitute “; OR

2. IS USED PRIMARILY FOR RELIGIOUS PURPOSES”;

in line 24, strike “FOR A COMMERCIAL REHABILITATION,”; strike beginning with “IN” in line 26 down through “SECTION” in line 27; in line 27, strike “MAXIMUM” and substitute

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“ESTIMATED”; strike beginning with “APPROVED” in line 28 down through “CREDIT” in line 29 and substitute “STATED IN THE APPLICATION FOR APPROVAL OF THE PLAN OF PROPOSED REHABILITATION”; and strike beginning with “EXCEPT” in line 30 down through “SECTION,” in line 32.

On page 4, in line 5, after “REPAID” insert “AT AN INTEREST RATE THAT IS GREATER THAN THE INTEREST RATE ON GENERAL OBLIGATION BONDS ISSUED BY THE STATE AT THE MOST RECENT BOND SALE PRIOR TO THE TIME THE LOAN IS MADE”; in line 15, strike “25%” and substitute “20%”; in line 32, after “(3)” insert “(I)”; in the same line, strike the first “A” and substitute “ANY”; strike beginning with “OTHER” in line 32 down through “REHABILITATION” in line 33; in line 34, strike “\$50,000” and substitute “\$3,000,000”; and after line 34, insert:

“(II) FOR THE PURPOSES OF THE LIMITATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE FOLLOWING SHALL BE TREATED AS A SINGLE REHABILITATION:

1. THE PHASED REHABILITATION OF THE SAME STRUCTURE OR PROPERTY;
2. THE SEPARATE REHABILITATION OF DIFFERENT COMPONENTS OF THE SAME STRUCTURE OR PROPERTY; OR
3. THE REHABILITATION OF MULTIPLE STRUCTURES THAT ARE FUNCTIONALLY RELATED TO SERVE AN OVERALL PURPOSE.”.

AMENDMENT NO. 3

On pages 5 and 6, strike in their entirety the lines beginning with line 37 on page 5 through line 23 on page 6, inclusive.

On page 6, in line 24, strike “(e)” and substitute “(D)”.

On pages 6 and 7, strike in their entirety the lines beginning with line 31 on page 6 through

line 3 on page 7, inclusive.

On page 7, in lines 4 and 37, strike “(g)” and “(h)”, respectively, and substitute “(E)” and “(F)”, respectively.

AMENDMENT NO. 4

On page 8, in line 12, strike “(i)” and substitute “(G)”; in line 19, after “PROPOSED” insert “COMMERCIAL”; in line 30, strike “AMOUNT OF PROPOSED” and substitute “ESTIMATED”; and strike beginning with the first “FOR” in line 31 down through “PROJECT” in line 32 and substitute “STATED IN THE APPLICATION FOR APPROVAL OF THE PLAN OF PROPOSED REHABILITATION”.

On page 9, in line 11, strike “MAXIMUM” and substitute “ESTIMATED”; strike beginning with “APPROVED” in line 12 down through “REHABILITATIONS” in line 13 and substitute “STATED IN APPROVED APPLICATIONS FOR APPROVAL OF PLANS OF PROPOSED REHABILITATION”; in line 22, after “structures;” insert “AND”; and strike beginning with “FOR” in line 26 down through “\$3,000,000” in line 29.

AMENDMENT NO. 5

On page 9, after line 29, insert:

“(H) (1) SUBJECT TO THE PROVISIONS OF THIS SUBSECTION, THE PROVISIONS OF THIS SECTION AND THE TAX CREDIT AUTHORIZED UNDER THIS SECTION SHALL TERMINATE AS OF JUNE 1, 2004.

(2) ON AND AFTER JUNE 1, 2004:

(I) THE TAX CREDIT AUTHORIZED UNDER THIS SECTION MAY BE CLAIMED FOR REHABILITATION PROJECTS FOR WHICH AN APPLICATION FOR APPROVAL OF A PLAN OF PROPOSED REHABILITATION WAS RECEIVED BY THE DIRECTOR ON OR BEFORE MAY 31, 2004.

(II) THE DIRECTOR SHALL CONTINUE TO REPORT TO THE

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GOVERNOR AND THE GENERAL ASSEMBLY AS REQUIRED UNDER SUBSECTION (G) FOR AS LONG AS ANY REHABILITATION PROJECT FOR WHICH AN APPLICATION FOR APPROVAL OF A PLAN OF PROPOSED REHABILITATION WAS RECEIVED BY THE DIRECTOR ON OR BEFORE MAY 31, 2004 REMAINS INCOMPLETE.”.

AMENDMENT NO. 6

On page 10, after line 36, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the total estimated rehabilitation expenditures for proposed commercial rehabilitations for the purposes of the tax credit authorized under Article 83B, § 5-801 of the Code approved for any calendar year not exceed an amount of expenditures that in the aggregate would result in tax credits of more than \$50,000,000.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Legislative Services shall monitor the approval of proposed commercial rehabilitation projects by the Maryland Historical Trust for the purposes of the tax credit authorized under Article 83B, § 5-801 of the Code. If the total estimated rehabilitation expenditures for proposed commercial rehabilitations approved in any calendar year exceeds an amount that in the aggregate would result in more that \$50,000,000 in tax credits, the Department of Legislative Services shall:

(1) Notify the President of the Senate, the Speaker of the House of Delegates, the Senate Budget and Taxation Committee, and the House Committee on Ways and Means;

(2) Make recommendations to the General Assembly to limit State revenue losses under the heritage structure rehabilitation tax credit program, including options to convert the program to a grant-based program; and

(3) Prepare legislation for introduction in the next legislative session of the General Assembly to impose an aggregate cap on the annual approval of commercial rehabilitation expenses that would ensure that the tax credits resulting from annual approved commercial rehabilitations do not exceed \$50,000,000 in tax credits under Article 83B, § 5-801 of the Code.”;

in line 37, strike “2.” and substitute “4.”; and in line 40, strike “that received the approval of” and

substitute “that have submitted an application for approval of a plan of proposed rehabilitation by”.