
By: **Frederick County Delegation**
Introduced and read first time: January 25, 2002
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: February 26, 2002

CHAPTER _____

1 AN ACT concerning

2 **Frederick County - Property Tax Credits - Agricultural Preservation Land**
3 **and Farm Buildings**

4 FOR the purpose of authorizing the Frederick County Board of County
5 Commissioners to grant a certain property tax credit for county property tax
6 imposed on certain agricultural preservation land; authorizing the Board to
7 grant a local property tax credit for farm buildings; requiring the Board to
8 develop certain criteria relating to a certain credit; authorizing the Board to
9 provide certain procedural or enforcement provisions to carry out this Act;
10 providing for the valuation and assessment of certain agricultural preservation
11 land; allowing a certain tax credit granted to continue under certain conditions;
12 providing for the application of this Act; and generally relating to certain
13 property tax credits for certain agricultural preservation land and farm
14 buildings in Frederick County.

15 BY repealing and reenacting, with amendments,
16 Article - Tax - Property
17 Section 9-312
18 Annotated Code of Maryland
19 (2001 Replacement Volume and 2001 Supplement)

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

1

Article - Tax - Property

2 9-312.

3 (a) (1) The governing body of Frederick County and of a municipal
4 corporation in Frederick County shall grant a property tax credit under this section
5 against the county and municipal corporation property tax imposed on property that:

6 (i) is owned by the Frederick Optimist Boy's Foundation,
7 Incorporated; and

8 (ii) is not under a lease or rented commercially.

9 (2) In paragraph (1) of this subsection, commercial renting does not
10 include the operation of a parking lot.

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

13 (i) real property that is owned by the Emmitsburg Civic
14 Association, Incorporated; and

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

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

19 (i) the following percentage of the increase that is due to the
20 improvement:

21 1. 100% of the increase in the assessment of the real property
22 in the 1st and 2nd taxable years that the improved structure is subject to the county
23 property tax;

24 2. 80% of the increase in the assessment of the real property
25 in the 3rd taxable year that the improved structure is subject to the county property
26 tax;

27 3. 60% of the increase in the assessment of the real property
28 in the 4th taxable year that the improved structure is subject to the county property
29 tax; and

30 4. 40% of the increase in the assessment of the real property
31 in the 5th taxable year that the structure is subject to the county property tax; and

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

34 (c) (1) The governing body of Frederick County may grant, by law, a
35 property tax credit under this section against the county property tax imposed on:

- 1 (i) real property that is owned by Ruritan National;
- 2 (ii) real property that is owned by any Ruritan club that is
3 affiliated with Ruritan National;
- 4 (iii) real property that is owned by a nonprofit community or civic
5 association or corporation and is used only for:
- 6 1. a community, civic, educational, or recreational purpose;
7 or
- 8 2. the conservation or preservation of wildlife; or
- 9 (iv) real property owned by the Audubon Society of Central
10 Maryland, Inc. and appurtenant to the premises of the Audubon Society of Central
11 Maryland, Inc., if the property is used only for:
- 12 1. the maintenance of a natural area for public use;
- 13 2. a sanctuary for wildlife;
- 14 3. the environmental education of the public; or
- 15 4. the general management of wildlife.

16 (2) Unless the compensation is used only to improve or maintain the real
17 property, the use of the real property under paragraph (1)(iii) of this subsection may
18 not be contingent on the payment of compensation.

19 (3) Unless the compensation is used only to improve or maintain the real
20 property, the real property under paragraph (1)(iii) of this subsection may not be
21 granted a property tax credit if failure to pay compensation is a reason to deny
22 admission to or use of the property.

23 (d) The governing body of Frederick County and of a municipal corporation in
24 Frederick County may grant, by law, a property tax credit under this section against
25 the county or municipal corporation property tax imposed on real property that is:

26 (1) leased to the Frederick County Board of County Commissioners or to
27 the Frederick County Board of Education; and

28 (2) used exclusively for public school educational purposes.

29 (e) The governing body of Frederick County and of a municipal corporation in
30 Frederick County may grant, by law, a property tax credit under this section against
31 the county or municipal corporation property tax imposed on real property that is:

32 (1) leased to a nonprofit school; and

33 (2) used exclusively for primary or secondary educational purposes.

1 (f) A taxpayer may apply for a property tax credit under this section on or
2 before October 1 of the taxable year.

3 (g) (1) IN THIS SUBSECTION, "AGRICULTURAL PRESERVATION LAND"
4 MEANS:

5 (I) REAL PROPERTY SUBJECT TO AN EASEMENT OR OTHER
6 INTEREST THAT IS PERMANENTLY CONVEYED OR ASSIGNED TO PRESERVE THE
7 AGRICULTURAL USE OF THE REAL PROPERTY; OR

8 (II) REAL PROPERTY THAT THE GOVERNING BODY OF FREDERICK
9 COUNTY HAS DESIGNATED AS BEING WITHIN AN AGRICULTURAL PRESERVATION
10 DISTRICT.

11 (2) THE GOVERNING BODY OF FREDERICK COUNTY MAY GRANT, BY LAW,
12 A PROPERTY TAX CREDIT OF UP TO 100% OF ANY COUNTY PROPERTY TAX IMPOSED
13 ON AGRICULTURAL PRESERVATION LAND.

14 (3) THE GOVERNING BODY OF FREDERICK COUNTY MAY PROVIDE, BY
15 LAW, ~~FOR~~ ANY PROCEDURAL OR ENFORCEMENT PROVISIONS NECESSARY ~~OR~~
16 ~~DESIRABLE~~ TO CARRY OUT THIS SUBSECTION.

17 (4) VALUATION AND ASSESSMENT OF AGRICULTURAL PRESERVATION
18 LAND SHALL BE MADE IN THE SAME MANNER AS ANY OTHER REAL PROPERTY IN THE
19 COUNTY.

20 (H) (1) THE GOVERNING BODY OF FREDERICK COUNTY MAY GRANT, BY LAW,
21 A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY PROPERTY
22 TAX IMPOSED ON A BUILDING THAT IS:

23 (I) LOCATED ON LAND THAT QUALIFIES FOR AN AGRICULTURAL
24 USE ASSESSMENT; AND

25 (II) USED IN CONNECTION WITH AN ACTIVITY THAT IS
26 RECOGNIZED BY THE DEPARTMENT AS AN APPROVED AGRICULTURAL ACTIVITY.

27 (2) THE GOVERNING BODY OF FREDERICK COUNTY:

28 (I) SHALL DEVELOP CRITERIA NECESSARY TO IMPLEMENT THE
29 CREDIT;

30 (II) SHALL DESIGNATE AN AGENCY TO ADMINISTER THE CREDIT;
31 AND

32 (III) MAY SPECIFY:

33 1. THE AMOUNT AND DURATION OF THE CREDIT;

34 2. THE QUALIFICATIONS AND APPLICATION PROCEDURES
35 FOR THE CREDIT; AND

