

SENATE BILL 438

Unofficial Copy  
Q2

2002 Regular Session  
(2r2426)

**ENROLLED BILL**  
*-- Budget and Taxation/Ways and Means --*

Introduced by **Senators Ferguson and Mooney**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

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

1 Section 9-312  
2 Annotated Code of Maryland  
3 (2001 Replacement Volume and 2001 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 - Property**

7 9-312.

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

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

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

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

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

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

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

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

24 (i) the following percentage of the increase that is due to the  
25 improvement:

26 1. 100% of the increase in the assessment of the real property  
27 in the 1st and 2nd taxable years that the improved structure is subject to the county  
28 property tax;

29 2. 80% of the increase in the assessment of the real property  
30 in the 3rd taxable year that the improved structure is subject to the county property  
31 tax;

32 3. 60% of the increase in the assessment of the real property  
33 in the 4th taxable year that the improved structure is subject to the county property  
34 tax; and



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

4 (1) leased to a nonprofit school; and

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

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

8 (g) (1) IN THIS SUBSECTION, "AGRICULTURAL PRESERVATION LAND"  
9 MEANS:

10 (I) REAL PROPERTY SUBJECT TO AN EASEMENT OR OTHER  
11 INTEREST THAT IS PERMANENTLY CONVEYED OR ASSIGNED TO PRESERVE THE  
12 AGRICULTURAL USE OF THE REAL PROPERTY; OR

13 (II) REAL PROPERTY THAT THE GOVERNING BODY OF FREDERICK  
14 COUNTY HAS DESIGNATED AS BEING WITHIN AN AGRICULTURAL PRESERVATION  
15 DISTRICT.

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

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

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

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

28 (I) LOCATED ON LAND THAT QUALIFIES FOR AN AGRICULTURAL  
29 USE ASSESSMENT; AND

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

32 (2) THE GOVERNING BODY OF FREDERICK COUNTY:

33 (I) SHALL DEVELOP CRITERIA NECESSARY TO IMPLEMENT THE  
34 CREDIT;

35 (II) SHALL DESIGNATE AN AGENCY TO ADMINISTER THE CREDIT;  
36 AND

1 (III) MAY SPECIFY:

- 2 1. THE AMOUNT AND DURATION OF THE CREDIT;
- 3 2. THE QUALIFICATIONS AND APPLICATION PROCEDURES
- 4 FOR THE CREDIT; AND
- 5 3. ANY OTHER REQUIREMENT OR PROCEDURE FOR
- 6 GRANTING OR ADMINISTRATION OF THE CREDIT ~~THAT THE GOVERNING BODY~~
- 7 ~~DEEMS APPROPRIATE.~~

8 (I) (1) Except as provided under paragraph (2) of this subsection, a property

9 tax credit granted under this section shall continue until the property is conveyed.

10 (2) A property tax credit granted under subsection (d) [or], (e), OR (G) of

11 this section shall continue as long as the property is in compliance with the terms of

12 that subsection.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect

14 June 1, 2002 and shall be ~~effective for~~ applicable to all taxable years beginning after

15 June 30, 2002.