
By: **Allegany County Delegation**

Introduced and read first time: February 2, 2005

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 28, 2005

CHAPTER_____

1 AN ACT concerning

2 **Property Tax Exemption - Exception for Property Owned by Canal Place**
3 **Preservation and Development Authority - Concession**

4 FOR the purpose of clarifying that certain interests of a person in property that is
5 owned by certain governmental entities is subject to property tax in a certain
6 manner under certain circumstances; providing that a certain exemption from
7 State and local property taxes does not apply to certain property owned by the
8 Canal Place Preservation and Development Authority that is used for a
9 concession; providing for the application of this Act; and generally relating to an
10 exception to a certain property tax exemption for certain property owned by the
11 Canal Place Preservation and Development Authority.

12 BY repealing and reenacting, with amendments,
13 Article - Tax - Property
14 Section 6-102(e) and 7-211(b)
15 Annotated Code of Maryland
16 (2001 Replacement Volume and 2004 Supplement)

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

19 **Article - Tax - Property**

20 6-102.

21 (e) Unless exempted under § 7-211, § 7-211.1, or § 7-501 of this article, the
22 interest or privilege of a person in property that is owned by the federal
23 GOVERNMENT, the State, a county, [or] a municipal corporation [government], OR

1 AN AGENCY OR INSTRUMENTALITY OF THE FEDERAL GOVERNMENT, THE STATE, A
2 COUNTY, OR A MUNICIPAL CORPORATION is subject to property tax as though the
3 lessee or the user of the property were the owner of the property, if the property is
4 leased or otherwise made available to that person:

5 (1) by the federal GOVERNMENT, the State, a county, [or] A municipal
6 corporation [government], OR AN AGENCY OR INSTRUMENTALITY OF THE FEDERAL
7 GOVERNMENT, THE STATE, A COUNTY, OR A MUNICIPAL CORPORATION; and

8 (2) with the privilege to use the property in connection with a business
9 that is conducted for profit.

10 7-211.

11 (b) (1) This subsection does not apply to:

12 (I) property owned by the Maryland-National Capital Park and
13 Planning Commission in Prince George's County that is located in a public airport
14 and is used for a restaurant concession; AND

15 (II) PROPERTY OWNED BY THE CANAL PLACE PRESERVATION AND
16 DEVELOPMENT AUTHORITY ~~THAT IS LOCATED IN ALLEGANY COUNTY AND THAT IS~~
17 ~~USED FOR A CONCESSION IF:~~

18 1. THE PROPERTY IS LEASED FOR A CONCESSION FOR A
19 TERM OF 10 YEARS OR MORE; OR

20 2. THE LESSEE HAS MADE A CAPITAL INVESTMENT IN THE
21 PROPERTY OR IMPROVEMENTS ON THE PROPERTY IN EXCESS OF \$500,000.

22 (2) An interest of a person in property of the federal government, the
23 State, a county, or a municipal corporation is not subject to property tax, if the
24 property is used for a concession that:

25 (i) is located in a public airport, park, market, or fairground; and

26 (ii) is available for use by the general public.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2005, and shall be applicable to all taxable years beginning after June 30,
29 2005.

