
By: **Delegates Cane, Bozman, and Conway**
Introduced and read first time: February 24, 2005
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Wicomico County - Building Excise Tax**

3 FOR the purpose of authorizing the County Council of Wicomico County to fix and
4 impose, by ordinance, a building excise tax on all types of new residential
5 building construction; requiring the County Council to specify in the ordinance
6 the types of new residential building construction subject to the tax, the criteria
7 and formulas used to assess the tax, and the tax rates; authorizing the County
8 Council to impose different rates of the building excise tax on different types of
9 new residential building construction subject to the tax; placing a certain limit
10 on the amount of tax that may be imposed; authorizing the imposition of the
11 building excise tax throughout Wicomico County, including within municipal
12 corporations; requiring a municipal corporation to assist Wicomico County in the
13 collection of the building excise tax if the tax is imposed within the municipal
14 corporation; authorizing a municipal corporation that collects the tax to deduct
15 from the revenues collected a certain fee for administrative costs; exempting
16 certain types of building construction from the tax; requiring that the revenues
17 from the building excise tax be deposited in a special fund, to be used only for
18 certain school construction costs; and generally relating to authorizing the
19 County Council of Wicomico County to impose a building excise tax.

20 BY adding to
21 The Public Local Laws of Wicomico County
22 Section 203-24 through 203-26 to be under the new article "Article XI -
23 Educational Facilities Excise Tax"
24 Article 23 - Public Local Laws of Maryland
25 (1997 Edition and April 2004 Supplement, as amended)

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

1

Article 23 - Wicomico County

2

ARTICLE XI

3

EDUCATIONAL FACILITIES EXCISE TAX

4 203-24.

5 SUBJECT TO THE PROVISIONS OF THIS ARTICLE, THE COUNTY COUNCIL OF
6 WICOMICO COUNTY, BY ORDINANCE, MAY FIX, IMPOSE, AND PROVIDE FOR THE
7 COLLECTION OF A BUILDING EXCISE TAX ON ANY NEW RESIDENTIAL BUILDING
8 CONSTRUCTION WITHIN WICOMICO COUNTY.

9 203-25.

10 A. IN THE LAW ESTABLISHING A BUILDING EXCISE TAX, THE COUNTY SHALL
11 SPECIFY:

12 (1) THE TYPES OF NEW RESIDENTIAL BUILDING CONSTRUCTION
13 SUBJECT TO THE BUILDING EXCISE TAX;

14 (2) THE CRITERIA AND FORMULAS USED TO ASSESS THE TAX; AND

15 (3) THE RATE OR RATES.

16 B. (1) THE COUNTY MAY IMPOSE DIFFERENT RATES OF THE BUILDING
17 EXCISE TAX ON DIFFERENT TYPES OF NEW RESIDENTIAL BUILDING CONSTRUCTION
18 SUBJECT TO THE BUILDING EXCISE TAX.

19 (2) A BUILDING EXCISE TAX IMPOSED UNDER THIS ARTICLE MAY NOT
20 EXCEED \$1.00 PER SQUARE FOOT OF BUILDING CONSTRUCTION.

21 C. (1) THE BUILDING EXCISE TAX MAY BE IMPOSED THROUGHOUT THE
22 COUNTY, INCLUDING WITHIN MUNICIPAL CORPORATIONS.

23 (2) IF THE BUILDING EXCISE TAX IS IMPOSED WITHIN A MUNICIPAL
24 CORPORATION, THE MUNICIPAL CORPORATION SHALL ASSIST THE COUNTY IN THE
25 COLLECTION OF THE BUILDING EXCISE TAX BY:

26 (A) COLLECTING AND REMITTING THE TAX TO THE COUNTY; OR

27 (B) REQUIRING THE TAX TO BE PAID TO THE COUNTY IN
28 ACCORDANCE WITH THE TERMS OF THE COUNTY LAW.

29 (3) A MUNICIPAL CORPORATION THAT COLLECTS THE TAX AND REMITS
30 THE TAX TO THE COUNTY MAY DEDUCT FROM THE REVENUES COLLECTED A FEE
31 FOR ADMINISTRATIVE COSTS AS SET FORTH IN THE LAW ESTABLISHING THE
32 BUILDING EXCISE TAX.

1 D. THE FOLLOWING SHALL BE EXEMPT FROM ANY BUILDING EXCISE TAX
2 ADOPTED BY THE COUNTY UNDER THE PROVISIONS OF THIS ARTICLE:

3 (1) INDUSTRIAL, COMMERCIAL, AND AGRICULTURAL BUILDINGS; AND

4 (2) ADDITIONS, MODIFICATIONS, OR RENOVATIONS TO RESIDENTIAL
5 BUILDINGS.

6 203-26.

7 A. THE COUNTY SHALL DEPOSIT BUILDING EXCISE TAXES COLLECTED IN A
8 SPECIAL FUND KNOWN AS THE "EDUCATIONAL FACILITIES FUND."

9 B. REVENUES IN THE EDUCATIONAL FACILITIES FUND MAY ONLY BE USED
10 FOR PRIMARY OR SECONDARY SCHOOL CAPITAL PROJECTS, INCLUDING ADDITIONAL
11 OR EXPANDED SCHOOL FACILITIES AND IMPROVEMENTS OR RENOVATIONS TO
12 EXISTING SCHOOL BUILDINGS.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2005.