
By: **Delegates Cane, Bozman, and Conway**
 Introduced and read first time: February 24, 2005
 Assigned to: Rules and Executive Nominations
 Re-referred to: Ways and Means, March 14, 2005

Committee Report: Favorable
 House action: Adopted
 Read second time: March 25, 2005

CHAPTER _____

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)

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

3 **Article 23 - Wicomico County**

4 **ARTICLE XI**

5 **EDUCATIONAL FACILITIES EXCISE TAX**

6 203-24.

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

11 203-25.

12 A. IN THE LAW ESTABLISHING A BUILDING EXCISE TAX, THE COUNTY SHALL
13 SPECIFY:

14 (1) THE TYPES OF NEW RESIDENTIAL BUILDING CONSTRUCTION
15 SUBJECT TO THE BUILDING EXCISE TAX;

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

17 (3) THE RATE OR RATES.

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

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

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

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

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

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

31 (3) A MUNICIPAL CORPORATION THAT COLLECTS THE TAX AND REMITS
32 THE TAX TO THE COUNTY MAY DEDUCT FROM THE REVENUES COLLECTED A FEE

1 FOR ADMINISTRATIVE COSTS AS SET FORTH IN THE LAW ESTABLISHING THE
2 BUILDING EXCISE TAX.

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

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

6 (2) ADDITIONS, MODIFICATIONS, OR RENOVATIONS TO RESIDENTIAL
7 BUILDINGS.

8 203-26.

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

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

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