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By: **Delegate Feldman**

Introduced and read first time: January 25, 2006

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Exemption for Property Used as a Business Incubator**

3 FOR the purpose of exempting from the State and local property tax certain property  
4 that is used as a business incubator; defining a certain term; providing for the  
5 application of this Act; and generally relating to a State and local property tax  
6 exemption for certain property that is used as a business incubator.

7 BY adding to  
8 Article - Tax - Property  
9 Section 7-242  
10 Annotated Code of Maryland  
11 (2001 Replacement Volume and 2005 Supplement)

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

14 **Article - Tax - Property**

15 7-242.

16 (A) (1) IN THIS SECTION, "BUSINESS INCUBATOR" MEANS A PROGRAM IN  
17 WHICH UNITS OF SPACE ARE LEASED BY MULTIPLE NEW BUSINESSES THAT SHARE  
18 PHYSICAL SPACE, ADMINISTRATIVE SERVICES AND EQUIPMENT, AND TECHNICAL  
19 SUPPORT.

20 (B) PROPERTY THAT IS USED AS A BUSINESS INCUBATOR IS NOT SUBJECT TO  
21 PROPERTY TAX IF THE STATE, A COUNTY, A MUNICIPAL CORPORATION, A PUBLIC  
22 INSTITUTION OF HIGHER EDUCATION, OR AN AGENCY OR INSTRUMENTALITY OF THE  
23 STATE, A COUNTY, A MUNICIPAL CORPORATION, OR A PUBLIC INSTITUTION OF  
24 HIGHER EDUCATION:

25 (1) OWNS, CONTROLS, OR LEASES THE SPACE THAT IS USED AS A  
26 BUSINESS INCUBATOR; OR

27 (2) IS THE PRIMARY SOURCE OF FUNDING FOR THE BUSINESS  
28 INCUBATOR.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 June 1, 2006, and shall be applicable to taxable years beginning after June 30, 2006.