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By: **Delegates Jones, Benson, Cardin, C. Davis, Goodwin, Gutierrez,  
Haynes, Healey, Hixson, Howard, Hubbard, Lee, Marriott, McHale,  
Menes, Murray, Nathan-Pulliam, Niemann, Oaks, Paige, Parker,  
Patterson, Quinter, V. Turner, Vaughn, and Zirkin**

Introduced and read first time: February 13, 2006

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development and Tax Incentive Act**

3 FOR the purpose of requiring the State Department of Assessments and Taxation to  
4 submit a Unified Property Tax Exemption and Credit Report on or before a  
5 certain date each year; specifying the contents of the property tax report;  
6 requiring the State Department of Assessments and Taxation to publish the  
7 property tax report in both written and electronic formats; requiring the  
8 Department of Business and Economic Development to submit a Unified  
9 Economic Development and Tax Incentive Report on or before a certain date  
10 each year; specifying the contents of the report; requiring the Department of  
11 Business and Economic Development to publish the economic development  
12 report in both written and electronic formats; providing an exception to certain  
13 tax information confidentiality requirements; providing that the Department of  
14 Business and Economic Development shall have access to certain information  
15 for the preparation of certain reports; defining certain terms; and generally  
16 relating to the Unified Property Tax Exemption and Credit Report and the  
17 Unified Economic Development and Tax Incentive Report.

18 BY adding to

19 Article - Tax - Property

20 Section 2-301 through 2-306, inclusive, to be under the new subtitle "Subtitle 3.

21 Unified Property Tax Exemption and Credit Report"

22 Annotated Code of Maryland

23 (2001 Replacement Volume and 2005 Supplement)

24 BY adding to

25 Article 83A - Department of Business and Economic Development

26 Section 7-101 through 7-106, inclusive, to be under the new title "Title 7.

27 Unified Economic Development and Tax Incentive Report"

28 Annotated Code of Maryland

29 (2003 Replacement Volume and 2005 Supplement)

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

3 **Article - Tax - Property**

4 SUBTITLE 3. UNIFIED PROPERTY TAX EXEMPTION AND CREDIT REPORT.

5 2-301.

6 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
7 INDICATED.

8 (B) (1) "DEVELOPMENT SUBSIDY" MEANS AN EXPENDITURE OF AT LEAST  
9 \$50,000 OF PUBLIC FUNDS FOR THE PURPOSE OF STIMULATING ECONOMIC  
10 DEVELOPMENT WITHIN THE STATE.

11 (2) "DEVELOPMENT SUBSIDY" INCLUDES:

12 (I) A PROPERTY TAX EXEMPTION; AND

13 (II) A PROPERTY TAX CREDIT.

14 (C) "PROPERTY TAX REPORT" MEANS THE UNIFIED PROPERTY TAX  
15 EXEMPTION AND CREDIT REPORT.

16 2-302.

17 (A) THE DEPARTMENT SHALL SUBMIT A UNIFIED PROPERTY TAX EXEMPTION  
18 AND CREDIT REPORT TO THE GENERAL ASSEMBLY ON OR BEFORE DECEMBER 31 OF  
19 EACH YEAR, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

20 (B) UNLESS OTHERWISE PROHIBITED UNDER FEDERAL LAW, THE PROPERTY  
21 TAX REPORT SHALL CONTAIN A LISTING OF ALL PROPERTY TAX EXEMPTIONS OR  
22 CREDITS FOR THE PREVIOUS FISCAL YEAR THAT ARE DEVELOPMENT SUBSIDIES,  
23 INCLUDING:

24 (1) THE NAME OF THE PROPERTY OWNER;

25 (2) THE ADDRESS OF THE PROPERTY; AND

26 (3) THE AMOUNT OF PROPERTY TAX REVENUE NOT COLLECTED BY THE  
27 TAXING AUTHORITY AS A RESULT OF THE PROPERTY TAX EXEMPTION OR CREDIT.

28 2-303.

29 THE DEPARTMENT SHALL PUBLISH THE PROPERTY TAX REPORT IN BOTH  
30 WRITTEN AND ELECTRONIC FORM AND SHALL POST THE PROPERTY TAX REPORT ON  
31 THE DEPARTMENT'S WEBSITE.

1 2-304.

2 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, INFORMATION  
3 CONTAINED IN THE PROPERTY TAX REPORT SHALL BE CONSIDERED PUBLIC  
4 INFORMATION AND THE DISCLOSURE OF THE INFORMATION IS NOT A VIOLATION OF  
5 THE PROHIBITION ON THE DISCLOSURE OF TAX INFORMATION.

6 2-305.

7 IN ORDER TO COMPLY WITH THE REPORTING REQUIREMENTS OF THIS  
8 SUBTITLE, THE DEPARTMENT SHALL HAVE ACCESS TO ANY AVAILABLE  
9 INFORMATION COLLECTED BY A STATE AGENCY REGARDING THE DEVELOPMENT  
10 SUBSIDY, IN THE FORM REQUIRED BY THE DEPARTMENT.

11 2-306.

12 THE REPORTING REQUIREMENTS UNDER THIS SUBTITLE SHALL APPLY TO ALL  
13 DEVELOPMENT SUBSIDIES AWARDED FOR TAXABLE YEARS BEGINNING AFTER JUNE  
14 30, 2006.

15 **Article 83A - Department of Business and Economic Development**

16 TITLE 7. UNIFIED ECONOMIC DEVELOPMENT AND TAX INCENTIVE REPORT.

17 7-101.

18 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

19 (B) "CORPORATE PARENT" MEANS AN ENTITY THAT OWNS OR CONTROLS 50%  
20 OR MORE OF A SUBSIDY RECIPIENT.

21 (C) (1) "DEVELOPMENT SUBSIDY" MEANS AN EXPENDITURE OF AT LEAST  
22 \$50,000 OF PUBLIC FUNDS FOR THE PURPOSE OF STIMULATING ECONOMIC  
23 DEVELOPMENT WITHIN THE STATE.

24 (2) "DEVELOPMENT SUBSIDY" INCLUDES:

25 (I) A TAX CREDIT;

26 (II) A GRANT;

27 (III) A LOAN OR LOAN GUARANTEE;

28 (IV) MATCHING FUNDS; AND

29 (V) AN ENTERPRISE OR EMPOWERMENT ZONE.

30 (D) "FULL-TIME POSITION" MEANS A JOB IN WHICH AN INDIVIDUAL IS  
31 EMPLOYED BY A SUBSIDY RECIPIENT FOR AT LEAST 35 HOURS PER WEEK.

1 (E) "GRANTING BODY" MEANS A STATE AGENCY THAT PROVIDES A  
2 DEVELOPMENT SUBSIDY.

3 (F) "PART-TIME POSITION" MEANS A JOB IN WHICH AN INDIVIDUAL IS  
4 EMPLOYED BY A SUBSIDY RECIPIENT FOR LESS THAN 35 HOURS PER WEEK.

5 (G) "PROJECT SITE" MEANS THE SITE OF A PROJECT FOR WHICH A  
6 DEVELOPMENT SUBSIDY IS PROVIDED.

7 (H) "REPORT" MEANS THE UNIFIED ECONOMIC DEVELOPMENT AND TAX  
8 INCENTIVE REPORT.

9 (I) "SUBSIDY RECIPIENT" MEANS AN INDIVIDUAL OR ENTITY THAT RECEIVES  
10 A DEVELOPMENT SUBSIDY.

11 (J) "TEMPORARY POSITION" MEANS A JOB IN WHICH AN INDIVIDUAL IS HIRED  
12 BY A SUBSIDY RECIPIENT FOR A TERM OF LESS THAN 1 YEAR.

13 7-102.

14 (A) THE DEPARTMENT SHALL SUBMIT A UNIFIED ECONOMIC DEVELOPMENT  
15 AND TAX INCENTIVE REPORT TO THE GENERAL ASSEMBLY ON OR BEFORE  
16 DECEMBER 31 OF EACH YEAR, IN ACCORDANCE WITH § 2-1246 OF THE STATE  
17 GOVERNMENT ARTICLE.

18 (B) THE REPORT SHALL CONTAIN A LISTING OF EXPENDITURES MADE FOR  
19 ECONOMIC DEVELOPMENT PURPOSES DURING THE PRIOR FISCAL YEAR, INCLUDING:

20 (1) THE TOTAL AMOUNT OF UNCOLLECTED STATE TAX REVENUES  
21 RESULTING FROM ALL CORPORATE AND OTHER BUSINESS TAX CREDITS AND  
22 REDUCTIONS PROVIDED BY THE STATE, INCLUDING UNDER:

23 (I) THE INCOME TAX;

24 (II) THE SALES AND USE TAX;

25 (III) THE PUBLIC SERVICE COMPANY FRANCHISE TAX;

26 (IV) THE PROPERTY TAX; AND

27 (V) THE INSURANCE PREMIUM TAX;

28 (2) THE NAME OF EACH CORPORATE OR OTHER BUSINESS TAXPAYER  
29 WHO CLAIMED A TAX CREDIT OR REDUCTION THAT IS A DEVELOPMENT SUBSIDY  
30 AND THE DOLLAR AMOUNT RECEIVED BY THE TAXPAYER;

31 (3) THE NUMBER OF CORPORATE OR OTHER BUSINESS TAXPAYERS WHO  
32 CLAIMED A TAX CREDIT OR REDUCTION WORTH LESS THAN \$50,000 AND A SUM OF  
33 THE DOLLAR AMOUNTS RECEIVED BY ALL SUCH TAXPAYERS; AND

1 (4) ALL EXPENDITURES FOR ECONOMIC DEVELOPMENT FOR EACH  
2 FINANCING PROGRAM ADMINISTERED BY THE DEPARTMENT, INCLUDING:

3 (I) THE MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE  
4 AUTHORITY FUND;

5 (II) THE SMART GROWTH ECONOMIC DEVELOPMENT  
6 INFRASTRUCTURE FUND;

7 (III) THE SUNNY DAY FUND;

8 (IV) THE MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING  
9 AUTHORITY;

10 (V) THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING  
11 AUTHORITY;

12 (VI) THE MARYLAND ECONOMIC ADJUSTMENT FUND; AND

13 (VII) THE ENTERPRISE INVESTMENT FUND.

14 (C) THE REPORT SUBMITTED UNDER SUBSECTION (A) OF THIS SECTION  
15 SHALL COVER THE PREVIOUS FISCAL YEAR AND SHALL CONTAIN:

16 (1) THE NAME AND ADDRESS OF THE SUBSIDY RECIPIENT;

17 (2) THE NUMBER OF JOBS CREATED, BROKEN DOWN BY FULL-TIME  
18 POSITIONS, PART-TIME POSITIONS, AND TEMPORARY POSITIONS, WHEN  
19 APPLICABLE;

20 (3) THE AVERAGE HOURLY WAGE PAID TO ALL EMPLOYEES AT A  
21 PROJECT SITE IN WAGE GROUPS OF DOLLAR INCREMENTS BEGINNING AT A  
22 MINIMUM WAGE THROUGH \$14 OR MORE PER HOUR, BROKEN DOWN BY FULL-TIME  
23 POSITIONS, PART-TIME POSITIONS, AND TEMPORARY POSITIONS;

24 (4) THE TYPES AND AMOUNTS OF HEALTH INSURANCE PROVIDED TO  
25 EMPLOYEES AT A PROJECT SITE, INCLUDING THE NUMBER OF EMPLOYEES COVERED  
26 BY EACH TYPE OF INSURANCE;

27 (5) A COMPARISON OF THE TOTAL EMPLOYMENT IN THE STATE BY THE  
28 SUBSIDY RECIPIENT ON THE DATE OF THE RECIPIENT'S APPLICATION FOR THE  
29 DEVELOPMENT SUBSIDY AND AT THE END OF THE FISCAL YEAR COVERED BY THE  
30 REPORT, BROKEN DOWN BY FULL-TIME POSITIONS, PART-TIME POSITIONS, AND  
31 TEMPORARY POSITIONS; AND

32 (6) A CERTIFICATION SIGNED BY AN AUTHORIZED REPRESENTATIVE OF  
33 THE SUBSIDY RECIPIENT THAT THE INFORMATION PROVIDED BY THE SUBSIDY  
34 RECIPIENT TO THE DEPARTMENT FOR USE IN THE REPORT IS COMPLETE AND  
35 ACCURATE.

1 7-103.

2 THE DEPARTMENT SHALL PUBLISH THE REPORT IN BOTH WRITTEN AND  
3 ELECTRONIC FORM AND SHALL POST THE REPORT ON THE DEPARTMENT'S WEBSITE.  
4 7-104.

5 NOTWITHSTANDING § 13-202 OF THE TAX - GENERAL ARTICLE, INFORMATION  
6 CONTAINED IN THE REPORT SHALL BE CONSIDERED PUBLIC INFORMATION AND IS  
7 NOT A VIOLATION OF THE PROHIBITION ON THE DISCLOSURE OF TAX INFORMATION.  
8 7-105.

9 IN ORDER TO COMPLY WITH THE REPORTING REQUIREMENTS OF THIS TITLE,  
10 THE DEPARTMENT SHALL HAVE ACCESS TO ANY AVAILABLE INFORMATION  
11 COLLECTED BY A STATE AGENCY REGARDING THE DEVELOPMENT SUBSIDY IN THE  
12 FORM REQUIRED BY THE DEPARTMENT.

13 7-106.

14 THE REPORTING REQUIREMENTS UNDER THIS TITLE SHALL APPLY TO ALL  
15 DEVELOPMENT SUBSIDIES AWARDED ON OR AFTER JULY 1, 2006.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
17 effect July 1, 2006.