
By: **Senators Jacobs and Pipkin**

Introduced and read first time: January 23, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Cecil County - Property Tax Credit - Property Leased by Religious**
 3 **Organizations**

4 FOR the purpose of requiring the governing body of Cecil County or of a municipal
 5 corporation in Cecil County to grant a property tax credit against the property
 6 tax imposed on certain real property that is leased, occupied, and used by a
 7 religious group or organization under certain circumstances; providing for the
 8 amount of the property tax credit and certain limitations on the credit;
 9 providing for the application of this Act; and generally relating to a property tax
 10 credit in Cecil County and municipal corporations in Cecil County for certain
 11 real property leased by certain religious organizations.

12 BY repealing and reenacting, with amendments,
 13 Article - Tax - Property
 14 Section 9-309(a)
 15 Annotated Code of Maryland
 16 (2001 Replacement Volume and 2005 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 9-309.

21 (a) (1) The governing body of Cecil County and of a municipal corporation in
 22 Cecil County shall grant a property tax credit under this section against the county
 23 and municipal corporation property tax imposed on:

24 [(1)] (I) property that is owned by the Society for the Preservation of
 25 Maryland Antiquities, Incorporated; [and]

26 [(2)] (II) property that is owned by the Friends of the Library of Cecil
 27 County, Maryland, Incorporated; AND

28 (III) REAL PROPERTY:

1 1. FOR THAT PORTION OF THE PROPERTY THAT IS LEASED,
2 OCCUPIED, AND USED BY A RELIGIOUS GROUP OR ORGANIZATION EXCLUSIVELY FOR:

3 A. PUBLIC RELIGIOUS WORSHIP;

4 B. EDUCATIONAL PURPOSES; OR

5 C. OFFICE SPACE NECESSARY TO SUPPORT OR MAINTAIN
6 PUBLIC RELIGIOUS WORSHIP OR EDUCATIONAL PURPOSES; AND

7 2. FOR WHICH THE RELIGIOUS GROUP OR ORGANIZATION IS
8 CONTRACTUALLY LIABLE.

9 (2) (I) THE CREDIT GRANTED UNDER PARAGRAPH (1)(III) OF THIS
10 SUBSECTION SHALL EQUAL 100% OF THE COUNTY OR MUNICIPAL CORPORATION
11 PROPERTY TAX IMPOSED.

12 (II) THE CREDIT UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION
13 DOES NOT APPLY:

14 1. TO PROPERTY THAT IS LEASED, OCCUPIED, OR USED FOR
15 THE PURPOSE OF MAKING A PROFIT; OR

16 2. WHEN THE RELIGIOUS GROUP OR ORGANIZATION NO
17 LONGER OCCUPIES THE PROPERTY.

18 (III) THE LESSOR OF PROPERTY ELIGIBLE FOR A TAX CREDIT UNDER
19 PARAGRAPH (1)(III) OF THIS SUBSECTION SHALL REDUCE BY THE AMOUNT OF THE
20 TAX CREDIT THE AMOUNT OF TAXES FOR WHICH THE RELIGIOUS GROUP OR
21 ORGANIZATION IS CONTRACTUALLY LIABLE UNDER THE LEASE AGREEMENT.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 June 1, 2006, and shall be applicable to all taxable years beginning after June 30,
24 2006.