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By: **Senators Jacobs and Hooper**  
 Introduced and read first time: January 30, 2006  
 Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments  
 Senate action: Adopted  
 Read second time: March 24, 2006

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

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

14 BY adding to  
 15 Article - Tax - Property  
 16 Section 9-314(d)  
 17 Annotated Code of Maryland  
 18 (2001 Replacement Volume and 2005 Supplement)

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

1

**Article - Tax - Property**

2 9-314.

3 (D) (1) THE GOVERNING BODY OF HARFORD COUNTY OR OF A MUNICIPAL  
 4 CORPORATION IN HARFORD COUNTY ~~SHALL~~ MAY GRANT A PROPERTY TAX CREDIT  
 5 UNDER THIS SECTION AGAINST THE COUNTY ~~AND OR~~ MUNICIPAL CORPORATION  
 6 PROPERTY TAX IMPOSED ON REAL PROPERTY:

7 (I) FOR THAT PORTION OF THE PROPERTY THAT IS LEASED,  
 8 OCCUPIED, AND USED BY A RELIGIOUS GROUP OR ORGANIZATION EXCLUSIVELY FOR:

9 1. PUBLIC RELIGIOUS WORSHIP;

10 2. EDUCATIONAL PURPOSES; OR

11 3. OFFICE SPACE NECESSARY TO SUPPORT OR MAINTAIN  
 12 PUBLIC RELIGIOUS WORSHIP OR EDUCATIONAL PURPOSES; AND

13 (II) FOR WHICH THE RELIGIOUS GROUP OR ORGANIZATION IS  
 14 CONTRACTUALLY LIABLE.

15 ~~(2) THE CREDIT GRANTED UNDER PARAGRAPH (1) OF THIS SUBSECTION~~  
 16 ~~SHALL EQUAL 100% OF THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX~~  
 17 ~~IMPOSED.~~

18 (2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE GOVERNING  
 19 BODY OF HARFORD COUNTY OR OF A MUNICIPAL CORPORATION IN HARFORD  
 20 COUNTY MAY PROVIDE, BY LAW, FOR:

21 (I) THE AMOUNT OF A PROPERTY TAX CREDIT UNDER THIS  
 22 SUBSECTION;

23 (II) THE DURATION OF A PROPERTY TAX CREDIT UNDER THIS  
 24 SUBSECTION; AND

25 (III) ANY OTHER PROVISION NECESSARY TO CARRY OUT THIS  
 26 SUBSECTION.

27 (3) THE CREDIT UNDER THIS SECTION DOES NOT APPLY:

28 (I) TO PROPERTY THAT IS LEASED, OCCUPIED, OR USED FOR THE  
 29 PURPOSE OF MAKING A PROFIT; OR

30 (II) WHEN THE RELIGIOUS GROUP OR ORGANIZATION NO LONGER  
 31 OCCUPIES THE PROPERTY.

32 (4) THE LESSOR OF PROPERTY ELIGIBLE FOR A TAX CREDIT UNDER THIS  
 33 SECTION SHALL REDUCE BY THE AMOUNT OF THE TAX CREDIT THE AMOUNT OF  
 34 TAXES FOR WHICH THE RELIGIOUS GROUP OR ORGANIZATION IS CONTRACTUALLY  
 35 LIABLE UNDER THE LEASE AGREEMENT.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 June 1, 2006, and shall be applicable to all taxable years beginning after June 30,  
3 2006.