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By: **Senator Pipkin**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 13, 2006

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CHAPTER\_\_\_\_\_

1 AN ACT concerning

2 **Queen Anne's County - Property Tax Credits - Commercial Investment and**  
 3 **Economic Development**

4 FOR the purpose of authorizing the governing body of Queen Anne's County to grant,  
 5 by law, a property tax credit against the county property tax imposed on certain  
 6 property owned by certain businesses under certain circumstances; limiting the  
 7 amount and duration of a certain property tax credit; providing for the  
 8 application of this Act; and generally relating to county property tax credits for  
 9 certain businesses in Queen Anne's County.

10 BY adding to

11 Article - Tax - Property

12 Section 9-319(d)

13 Annotated Code of Maryland

14 (2001 Replacement Volume and 2005 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Tax - Property**

18 9-319.

19 (D) (1) THE GOVERNING BODY OF QUEEN ANNE'S COUNTY MAY GRANT, BY  
 20 LAW, A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY  
 21 PROPERTY TAX IMPOSED ON REAL PROPERTY OWNED BY A BUSINESS THAT:

1 (I) MAKES SIGNIFICANT REAL PROPERTY IMPROVEMENTS IN THE  
2 COUNTY, INCLUDING CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR  
3 EXPANSION OF A NONRESIDENTIAL STRUCTURE; AND

4 (II) EMPLOYS AT LEAST 25 NEW ADDITIONAL FULL-TIME  
5 EMPLOYEES.

6 (2) IN EACH YEAR FOLLOWING THE YEAR IN WHICH THE  
7 NONRESIDENTIAL REAL PROPERTY IMPROVEMENT IS COMPLETED AND ASSESSED, A  
8 TAX CREDIT GRANTED UNDER THIS SUBSECTION MAY NOT EXCEED:

9 (I) 80% OF THE AMOUNT OF THE COUNTY PROPERTY TAX IMPOSED  
10 ON THE INCREASED ASSESSMENT IN THE FIRST TAXABLE YEAR;

11 (II) 60% OF THE AMOUNT OF THE COUNTY PROPERTY TAX IMPOSED  
12 ON THE INCREASED ASSESSMENT IN THE SECOND TAXABLE YEAR;

13 (III) 40% OF THE AMOUNT OF THE COUNTY PROPERTY TAX IMPOSED  
14 ON THE INCREASED ASSESSMENT IN THE THIRD TAXABLE YEAR;

15 (IV) 20% OF THE AMOUNT OF THE COUNTY PROPERTY TAX IMPOSED  
16 ON THE INCREASED ASSESSMENT IN THE FOURTH TAXABLE YEAR; AND

17 (V) 0% OF THE AMOUNT OF THE COUNTY PROPERTY TAX IMPOSED  
18 ON THE INCREASED ASSESSMENT IN THE FIFTH TAXABLE YEAR AND ALL TAXABLE  
19 YEARS AFTER THE FIFTH TAXABLE YEAR.

20 (3) THE GOVERNING BODY OF QUEEN ANNE'S COUNTY MAY FURTHER  
21 DEFINE, FIX, OR LIMIT THE AMOUNT, TERMS, SCOPE, AND DURATION OF ANY CREDIT  
22 AUTHORIZED UNDER THIS SUBSECTION.

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