

# HOUSE BILL 1300

C8, Q3

71r2538  
CF 71r3252

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By: **Delegates Eckardt and Haddaway**

Introduced and read first time: February 26, 2007

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Arts and Entertainment Districts – Tax Benefits**

3 FOR the purpose of altering the definition of a qualifying resident artist for the  
4 purpose of certain tax benefits available in certain arts and entertainment  
5 districts; altering a certain income tax subtraction modification allowed for  
6 certain income derived within an arts and entertainment district; providing for  
7 the application and termination of this Act; and generally relating to arts and  
8 entertainment districts and tax benefits.

9 BY repealing and reenacting, with amendments,  
10 Article 83A – Department of Business and Economic Development  
11 Section 4–701(a)(5)  
12 Annotated Code of Maryland  
13 (2003 Replacement Volume and 2006 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – General  
16 Section 10–207(v)  
17 Annotated Code of Maryland  
18 (2004 Replacement Volume and 2006 Supplement)

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

21 **Article 83A – Department of Business and Economic Development**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 4-701.

2 (a) (5) “Qualifying residing artist” means an individual who:

3 (i) Owns or rents residential real property in the county where  
4 the arts and entertainment district is located and conducts a business in the arts and  
5 entertainment district; and

6 (ii) Derives income from the sale or performance within the arts  
7 and entertainment district of an artistic work that the individual wrote, composed, or  
8 executed, either solely or with one or more other individuals, in the **COUNTY WHERE**  
9 **THE** arts and entertainment district **IS LOCATED**.

10 **Article - Tax - General**

11 10-207.

12 (v) (1) In this subsection, “artistic work”, “arts and entertainment  
13 district”, and “qualifying residing artist” have the meanings stated in Article 83A, §  
14 4-701 of the Code.

15 (2) The subtraction under subsection (a) of this section includes the  
16 amount of income derived within an arts and entertainment district by a qualifying  
17 residing artist from the publication, production, or sale of an artistic work that the  
18 artist wrote, composed, or executed in the **COUNTY WHERE THE** arts and  
19 entertainment district **IS LOCATED**.

20 (3) For the purpose of determining whether income is derived within  
21 an arts and entertainment district for the purpose of this subsection, a qualifying  
22 residing artist shall allocate receipts and expenses as the Comptroller may require.

23 **SECTION 2. AND BE IT FURTHER ENACTED**, That this Act shall take effect  
24 July 1, 2007, and shall be applicable to all taxable years beginning after December 31,  
25 2006, but before January 1, 2009. It shall remain effective for a period of 2 years and,  
26 at the end of June 30, 2009, with no further action required by the General Assembly,  
27 this Act shall be abrogated and of no further force and effect.