

# SENATE BILL 274

Q2

7lr2134

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By: **Senator Edwards**

Introduced and read first time: January 31, 2007

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Garrett County – Property Tax Credit – New or Expanding Businesses**

3 FOR the purpose of authorizing the governing body of Garrett County to grant, by law,  
4 a property tax credit against the county property tax imposed on certain real  
5 property owned or occupied by certain businesses in Garrett County under  
6 certain circumstances and subject to certain limitations and requirements;  
7 authorizing the governing body of Garrett County to provide for the amount and  
8 duration of the credit, qualifications and application procedures for the credit,  
9 and other provisions for the credit; providing for the application of this Act; and  
10 generally relating to authorization for a property tax credit in Garrett County  
11 for certain real property owned or occupied by certain businesses in Garrett  
12 County under certain circumstances.

13 BY adding to

14 Article – Tax – Property

15 Section 9–313(b)(7)

16 Annotated Code of Maryland

17 (2001 Replacement Volume and 2006 Supplement)

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

20 **Article – Tax – Property**

21 9–313.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (b)   (7)   (I)   THE GOVERNING BODY OF GARRETT COUNTY MAY  
2 GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE  
3 COUNTY PROPERTY TAX IMPOSED ON REAL PROPERTY THAT IS NEW  
4 CONSTRUCTION OR AN IMPROVEMENT TO REAL PROPERTY OWNED OR  
5 OCCUPIED BY A COMMERCIAL OR INDUSTRIAL BUSINESS THAT:

6                           1.   IS CURRENTLY OR WILL BE DOING BUSINESS IN  
7 GARRETT COUNTY;

8                           2.   WILL EMPLOY AT LEAST 12 ADDITIONAL  
9 FULL-TIME LOCAL EMPLOYEES BY THE SECOND YEAR IN WHICH THE CREDIT  
10 IS ALLOWED, NOT INCLUDING ANY EMPLOYEE FILLING A JOB CREATED WHEN A  
11 JOB FUNCTION IS SHIFTED FROM AN EXISTING LOCATION IN THE STATE TO THE  
12 LOCATION OF THE NEW CONSTRUCTION OR IMPROVEMENT; AND

13                          3.   MAKES A SUBSTANTIAL INVESTMENT IN GARRETT  
14 COUNTY, WHICH MAY BE:

15                           A.   THE ACQUISITION OF A BUILDING, LAND, OR  
16 EQUIPMENT THAT TOTALS AT LEAST \$2,000,000; OR

17                           B.   THE CREATION OF 10 POSITIONS WITH SALARIES  
18 GREATER THAN THE CURRENT AVERAGE ANNUAL WAGE IN GARRETT COUNTY.

19                          (II) IN ESTABLISHING A TAX CREDIT UNDER THIS  
20 PARAGRAPH, THE GOVERNING BODY OF GARRETT COUNTY:

21                           1.   SHALL DEVELOP CRITERIA NECESSARY TO  
22 IMPLEMENT THE CREDIT;

23                           2.   SHALL DESIGNATE AN AGENCY TO ADMINISTER  
24 THE CREDIT; AND

25                           3.   MAY SPECIFY:

26                           A.   THE AMOUNT AND DURATION OF THE CREDIT;

27                           B.   THE QUALIFICATIONS AND APPLICATION  
28 PROCEDURES FOR THE CREDIT; AND

1                   **C.     ANY OTHER REQUIREMENT OR PROCEDURE FOR**  
2 **THE GRANTING OR ADMINISTRATION OF THE CREDIT THAT THE GOVERNING**  
3 **BODY CONSIDERS APPROPRIATE.**

4                   **(III)   A PROPERTY TAX CREDIT UNDER THIS PARAGRAPH MAY**  
5 **NOT EXCEED THE AMOUNT OF COUNTY PROPERTY TAX IMPOSED ON THE**  
6 **INCREASE IN ASSESSMENT THAT IS DUE TO THE NEW CONSTRUCTION OR**  
7 **IMPROVEMENTS MADE TO THE PROPERTY OF THE PERSON APPLYING FOR THE**  
8 **CREDIT.**

9                   **(IV)   IF A PROPERTY TAX CREDIT UNDER THIS PARAGRAPH IS**  
10 **GRANTED FOR PROPERTY LEASED OR RENTED BY A COMMERCIAL OR**  
11 **INDUSTRIAL BUSINESS:**

12                   **1.     THE AMOUNT OF THE TAX CREDIT ALLOWED**  
13 **SHALL PASS THROUGH TO THE COMMERCIAL OR INDUSTRIAL BUSINESS THAT**  
14 **CONDUCTS THE ACTIVITY THAT QUALIFIES FOR THE CREDIT; AND**

15                   **2.     THE TERM OF THE TAX CREDIT MAY NOT EXCEED**  
16 **THE TERM OF THE LEASE AND MAY NOT EXCEED 10 YEARS.**

17                   **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**  
18 **June 1, 2007, and shall be applicable to all taxable years beginning after June 30,**  
19 **2007.**