

CHAPTER 143

(Senate Bill 274)

AN ACT concerning

Garrett County – Property Tax Credit – New or Expanding Businesses

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

BY adding to

Article – Tax – Property

Section 9–313(b)(7)

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

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

Article – Tax – Property

9–313.

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

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

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

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

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

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

(II) ~~IN ESTABLISHING A TAX CREDIT UNDER THIS PARAGRAPH, THE~~ THE GOVERNING BODY OF GARRETT COUNTY, BY LAW, MAY:

~~1. SHALL DEVELOP CRITERIA NECESSARY TO IMPLEMENT THE CREDIT;~~

1. SPECIFY THE MINIMUM INVESTMENT OR JOB CREATION REQUIREMENTS FOR QUALIFICATION FOR THE CREDIT;

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

3. ~~MAY~~ SPECIFY:

A. THE AMOUNT AND DURATION OF THE CREDIT;

B. ~~THE QUALIFICATIONS AND~~ APPLICATION PROCEDURES FOR THE CREDIT; AND

C. ANY ADDITIONAL CRITERIA FOR ELIGIBILITY OR ANY OTHER REQUIREMENT OR PROCEDURE FOR THE GRANTING OR ADMINISTRATION OF THE CREDIT THAT THE GOVERNING BODY CONSIDERS APPROPRIATE.

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

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

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

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

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

Approved by the Governor, April 24, 2007.