

CHAPTER 572

(Senate Bill 705)

AN ACT concerning

Property Tax - ~~Exemption~~ Credit for Property Used as a Publicly Sponsored Business Incubator

FOR the purpose of ~~exempting from the State and local property tax~~ authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a property tax credit for certain property that is used as a business incubator; authorizing the county or municipal corporation to provide, by law, for the amount and duration of the credit and for certain provisions necessary to carry out this Act; defining a certain term; providing for the application of this Act; and generally relating to a State and local property tax exemption credit for certain property that is used as a business incubator.

BY adding to

Article - Tax - Property

Section ~~7-242~~ 9-246

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

~~7-242.~~ 9-246.

(A) IN THIS SECTION, "BUSINESS INCUBATOR" MEANS A PROGRAM IN WHICH UNITS OF SPACE ARE LEASED BY MULTIPLE EARLY-STAGE BUSINESSES THAT SHARE PHYSICAL COMMON SPACE, ADMINISTRATIVE SERVICES AND EQUIPMENT, BUSINESS MANAGEMENT TRAINING, MENTORING, AND TECHNICAL SUPPORT.

(B) ~~PROPERTY THAT IS USED AS A BUSINESS INCUBATOR IS NOT SUBJECT TO PROPERTY TAX~~ THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL

CORPORATION MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL PROPERTY TAX IMPOSED ON PROPERTY THAT IS USED AS A BUSINESS INCUBATOR IF THE STATE, A COUNTY, A MUNICIPAL CORPORATION, AN ORGANIZATION EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE, A PUBLIC INSTITUTION OF HIGHER EDUCATION, OR AN AGENCY OR INSTRUMENTALITY OF THE STATE, A COUNTY, A MUNICIPAL CORPORATION, OR A PUBLIC INSTITUTION OF HIGHER EDUCATION:

(1) OWNS, CONTROLS, OR LEASES THE SPACE THAT IS USED AS A BUSINESS INCUBATOR;

(2) PROVIDES AT LEAST 50% OF THE TOTAL FUNDING RECEIVED BY THE BUSINESS INCUBATOR FROM ALL SOURCES, NOT INCLUDING RENTS RECEIVED FROM INCUBATOR TENANT FIRMS; OR

(3) IS REPRESENTED ON THE GOVERNANCE BOARD THAT AUTHORIZES THE ANNUAL BUDGET OF THE BUSINESS INCUBATOR.

(C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE, BY LAW, FOR:

(1) THE AMOUNT AND DURATION OF THE PROPERTY TAX CREDIT UNDER THIS SECTION;

(2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER THIS SECTION;

(3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

(4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THIS SECTION.

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, May 17, 2007.