

HOUSE BILL 836

Q8, Q3

9lr2126

By: **Montgomery County Delegation**

Introduced and read first time: February 11, 2009

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County - Income Tax - Organic Agriculture Investment Credit**

3 **MC 933-09**

4 FOR the purpose of authorizing Montgomery County to allow, by law, an individual to
5 claim a credit against the county income tax for certain investments in organic
6 agriculture companies as defined by the governing body of Montgomery County;
7 requiring the governing body of Montgomery County to specify the
8 qualifications for eligibility, the conditions of certification, and the process of
9 application for the credit and to provide for the amount of the credit;
10 authorizing the county to limit the credit only to investments in companies
11 located in the county; authorizing the county to cap the amount of credits issued
12 for any taxable year; authorizing the county to make the credit refundable;
13 authorizing the county to provide for the recapture of the credit; requiring the
14 county to notify the Comptroller if the credit is authorized; providing for the
15 application of this Act; and generally relating to the authority of Montgomery
16 County to authorize a credit against the county income tax for investments in
17 organic agriculture companies.

18 BY adding to

19 Article - Tax - General

20 Section 10-728

21 Annotated Code of Maryland

22 (2004 Replacement Volume and 2008 Supplement)

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

25 **Article - Tax - General**

26 **10-728.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A) THE GOVERNING BODY OF MONTGOMERY COUNTY MAY, BY LAW,**
2 **ALLOW AN INDIVIDUAL TO CLAIM A CREDIT AGAINST THE COUNTY INCOME TAX**
3 **FOR AN INVESTMENT IN AN ORGANIC AGRICULTURE COMPANY AS PROVIDED**
4 **UNDER THIS SECTION.**

5 **(B) (1) IN A LAW THAT AUTHORIZES A CREDIT UNDER THIS SECTION,**
6 **THE GOVERNING BODY OF MONTGOMERY COUNTY SHALL:**

7 **(I) DEFINE AN ORGANIC AGRICULTURE COMPANY;**

8 **(II) SPECIFY THE QUALIFICATIONS FOR ELIGIBILITY,**
9 **CONDITIONS OF CERTIFICATION, AND PROCESS FOR APPLICATION FOR THE TAX**
10 **CREDIT; AND**

11 **(III) PROVIDE FOR THE AMOUNT OF THE CREDIT.**

12 **(2) THE GOVERNING BODY OF MONTGOMERY COUNTY MAY:**

13 **(I) LIMIT THE QUALIFYING INVESTMENT FOR WHICH A**
14 **CREDIT IS ALLOWED UNDER THIS SECTION ONLY TO ORGANIC AGRICULTURE**
15 **COMPANIES LOCATED IN MONTGOMERY COUNTY;**

16 **(II) LIMIT THE TOTAL AMOUNT OF CREDITS THAT MAY BE**
17 **AUTHORIZED IN ANY TAXABLE YEAR;**

18 **(III) ALLOW A REFUND OF THE TAX CREDIT IF IN ANY**
19 **TAXABLE YEAR THE CREDIT EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE;**
20 **AND**

21 **(IV) PROVIDE FOR THE RECAPTURE OF THE CREDIT.**

22 **(C) THE GOVERNING BODY OF MONTGOMERY COUNTY MAY IMPOSE**
23 **ANY ADDITIONAL LIMITATIONS NECESSARY TO ADMINISTER THE COUNTY**
24 **INCOME TAX CREDIT.**

25 **(D) IF MONTGOMERY COUNTY PROVIDES FOR A CREDIT AGAINST THE**
26 **COUNTY INCOME TAX UNDER THIS SECTION, ON OR BEFORE JULY 1 PRIOR TO**
27 **THE BEGINNING OF THE FIRST TAXABLE YEAR FOR WHICH IT IS APPLICABLE,**
28 **THE COUNTY SHALL GIVE THE COMPTROLLER NOTICE OF THE COUNTY CREDIT.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 July 1, 2009, and shall be applicable to all taxable years beginning after December 31,
31 2009.