

HB0861/855664/1

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL 861
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike the second “County”; strike beginning with “authorizing” in line 4 down through “zone” in line 16 and substitute “requiring a lessor of real property in Montgomery County eligible for certain property tax credits to reduce by a certain amount the amount of tax for which the tenant is contractually liable under the lease under certain circumstances; authorizing the governing body of Montgomery County or of a municipal corporation in Montgomery County to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on certain property located in certain enterprise zones; authorizing the governing body of Montgomery County or of a municipal corporation in Montgomery County to provide, by law, for the amount and duration of the credit, additional eligibility criteria and restrictions for the credit, and any other provision necessary to carry out the credit; requiring the governing body of Montgomery County or of a municipal corporation in Montgomery County to define certain improvements eligible for a tax credit; providing for the application of this Act; and generally relating to enterprise zones”.

AMENDMENT NO. 2

On page 1, strike in their entirety lines 17 through 21, inclusive, and substitute:

“BY repealing and reenacting, with amendments,

Article - Tax - Property

Section 9-103(b)

Annotated Code of Maryland

(2007 Replacement Volume and 2009 Supplement)

BY adding to

Article - Tax - Property

(Over)

Section 9-317(f)
Annotated Code of Maryland
(2007 Replacement Volume and 2009 Supplement)".

AMENDMENT NO. 3

On pages 1 and 2, strike in their entirety the lines beginning with line 24 on page 1 through line 26 on page 2, inclusive, and substitute:

"Article – Tax – Property

9-103.

(b) (1) The governing body of a county or of a municipal corporation shall grant a tax credit under this section against the property tax imposed on the eligible assessment of qualified property.

(2) IN MONTGOMERY COUNTY THE LESSOR OF REAL PROPERTY ELIGIBLE FOR A CREDIT UNDER THIS SECTION SHALL REDUCE THE AMOUNT OF TAXES FOR WHICH A TENANT IS CONTRACTUALLY LIABLE UNDER THE LEASE AGREEMENT BY THE AMOUNT OF ANY CREDIT ALLOWED UNDER THIS SECTION THAT IS ATTRIBUTABLE TO IMPROVEMENTS MADE BY THE TENANT.

9-317.

(F) (1) (i) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(ii) "ELIGIBLE BUSINESS ENTITY" MEANS A PERSON WHO OPERATES OR CONDUCTS A TRADE OR BUSINESS ON QUALIFIED ENTERPRISE ZONE PROPERTY BUT DOES NOT OWN THE QUALIFIED ENTERPRISE ZONE PROPERTY.

(III) “QUALIFIED ENTERPRISE ZONE PROPERTY” MEANS REAL PROPERTY THAT:

1. IS NOT USED FOR RESIDENTIAL PURPOSES;
2. IS USED IN A TRADE OR BUSINESS BY AN ELIGIBLE BUSINESS ENTITY;
3. IS LOCATED IN AN ENTERPRISE ZONE THAT IS DESIGNATED UNDER TITLE 5, SUBTITLE 7 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND
4. IS ELIGIBLE FOR THE PROPERTY TAX CREDIT UNDER § 9-103 OF THIS TITLE.

(2) SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS SUBSECTION, THE GOVERNING BODY OF MONTGOMERY COUNTY OR OF A MUNICIPAL CORPORATION IN MONTGOMERY COUNTY MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON:

(I) IMPROVEMENTS MADE BY AN ELIGIBLE BUSINESS ENTITY TO QUALIFIED ENTERPRISE ZONE PROPERTY; AND

(II) PERSONAL PROPERTY OWNED BY AN ELIGIBLE BUSINESS ENTITY LOCATED ON QUALIFIED ENTERPRISE ZONE PROPERTY.

(3) (I) THE GOVERNING BODY OF MONTGOMERY COUNTY OR OF A MUNICIPAL CORPORATION IN MONTGOMERY COUNTY MAY PROVIDE, BY LAW, FOR:

1. THE AMOUNT AND DURATION OF A CREDIT UNDER THIS SUBSECTION;

2. ADDITIONAL ELIGIBILITY CRITERIA FOR A CREDIT UNDER THIS SUBSECTION; AND

3. ANY OTHER PROVISION NECESSARY TO CARRY OUT A CREDIT UNDER THIS SUBSECTION.

(II) THE GOVERNING BODY OF MONTGOMERY COUNTY OR OF A MUNICIPAL CORPORATION IN MONTGOMERY COUNTY SHALL DEFINE, BY LAW, THE IMPROVEMENTS ELIGIBLE FOR A CREDIT UNDER THIS SUBSECTION.

(4) THE LESSOR OF REAL PROPERTY GRANTED A CREDIT UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL REDUCE THE AMOUNT OF TAXES FOR WHICH AN ELIGIBLE BUSINESS ENTITY IS CONTRACTUALLY LIABLE UNDER THE LEASE AGREEMENT BY THE AMOUNT OF ANY CREDIT GRANTED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION FOR IMPROVEMENTS MADE BY THE ELIGIBLE BUSINESS ENTITY.

(5) THE LESSOR OF REAL PROPERTY THAT RECEIVES A CREDIT UNDER § 9-103 OF THIS TITLE MAY NOT BE GRANTED A CREDIT UNDER THIS SUBSECTION.”.

AMENDMENT NO. 4

On page 2, in line 28, strike “July” and substitute “June”; and in the same line, after “2010” insert “, and shall be applicable to all taxable years beginning after June 30, 2010”.