

HOUSE BILL 1062

Q1

0lr2700
CF 0lr3435

By: **Delegates Healey, Ross, Frick, Gaines, Hixson, Howard, Ivey, Stukes, and Walker**

Introduced and read first time: February 17, 2010

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2010

CHAPTER _____

1 AN ACT concerning

2 **Property Tax Credit – Urban Agricultural ~~Activities~~ Property**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the
4 governing body of a county or of a municipal corporation to grant, by law, a tax
5 credit against the county or municipal corporation property tax imposed on
6 certain urban agricultural property; providing for the duration of the credit;
7 authorizing the county or municipal corporation to provide, by law, for the
8 amount of the credit ~~and certain other provisions~~, eligibility criteria for the
9 credit, certain regulations and procedures, and any other provision necessary to
10 carry out the credit; providing for the repayment of certain tax credits under
11 certain circumstances; defining certain terms; providing for the application of
12 this Act; and generally relating to a local property tax credit for urban
13 agricultural property.

14 BY adding to

15 Article – Tax – Property

16 Section 9–252

17 Annotated Code of Maryland

18 (2007 Replacement Volume and 2009 Supplement)

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

21 **Article – Tax – Property**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **9-252.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
3 MEANINGS INDICATED.

4 (2) "URBAN AGRICULTURAL PROPERTY" MEANS REAL PROPERTY
5 THAT IS:

6 (I) AT LEAST ONE-EIGHTH OF AN ACRE AND NOT MORE
7 THAN 2 ACRES;

8 (II) LOCATED IN A PRIORITY FUNDING AREA, AS DEFINED IN
9 § 5-7B-02 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

10 (III) USED EXCLUSIVELY FOR URBAN AGRICULTURAL
11 PURPOSES.

12 (3) "URBAN AGRICULTURAL PURPOSES" MEANS:

13 (I) CROP PRODUCTION ACTIVITIES, INCLUDING THE USE OF
14 MULCH OR COVER CROPS TO ENSURE MAXIMUM PRODUCTIVITY AND MINIMIZE
15 RUNOFF AND WEED PRODUCTION;

16 (II) ENVIRONMENTAL MITIGATION ACTIVITIES, INCLUDING
17 STORMWATER ABATEMENT AND GROUNDWATER PROTECTION;

18 (III) COMMUNITY DEVELOPMENT ACTIVITIES, INCLUDING
19 RECREATIONAL ACTIVITIES, FOOD DONATIONS, AND FOOD PREPARATION AND
20 CANNING CLASSES;

21 (IV) ECONOMIC DEVELOPMENT ACTIVITIES, INCLUDING
22 EMPLOYMENT AND TRAINING OPPORTUNITIES, AND DIRECT SALES TO
23 RESTAURANTS AND INSTITUTIONS; AND

24 (V) TEMPORARY PRODUCE STANDS USED FOR THE SALE OF
25 PRODUCE RAISED ON THE PREMISES.

26 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
27 GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY
28 GRANT, BY LAW, A TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL
29 CORPORATION PROPERTY TAX IMPOSED ON URBAN AGRICULTURAL PROPERTY.

1 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
2 SUBSECTION, A TAX CREDIT UNDER THIS SECTION SHALL BE GRANTED FOR 5
3 YEARS.

4 (2) (I) IF THE MAYOR AND CITY COUNCIL OF BALTIMORE
5 CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL
6 CORPORATION GRANTS A TAX CREDIT UNDER THIS SECTION, THE JURISDICTION
7 GRANTING A TAX CREDIT SHALL EVALUATE THE EFFECTIVENESS OF THE
8 CREDIT AFTER 3 YEARS.

9 (II) IF THE JURISDICTION GRANTING THE TAX CREDIT
10 DETERMINES THAT THE TAX CREDIT IS INEFFECTIVE IN PROMOTING URBAN
11 ~~AGRICULTURE~~ AGRICULTURAL PURPOSES, THE JURISDICTION GRANTING A TAX
12 CREDIT MAY TERMINATE THE TAX CREDIT.

13 (III) THE JURISDICTION GRANTING A TAX CREDIT UNDER
14 THIS SECTION MAY EXTEND THE TAX CREDIT FOR AN ADDITIONAL 5 YEARS.

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

18 (1) THE AMOUNT OF THE TAX CREDIT UNDER THIS SECTION;

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

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

23 (4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE
24 CREDIT UNDER THIS SECTION.

25 ~~(D)~~ (E) AT ANY TIME DURING THE PERIOD FOR WHICH A PROPERTY
26 TAX CREDIT UNDER THIS SECTION IS GRANTED FOR URBAN AGRICULTURAL
27 PROPERTY, IF THE PROPERTY CEASES TO BE USED FOR URBAN AGRICULTURAL
28 PURPOSES, THE OWNER OF THE PROPERTY SHALL BE LIABLE FOR ALL
29 PROPERTY TAXES THAT WOULD HAVE BEEN IMPOSED IF A PROPERTY TAX
30 CREDIT FOR URBAN AGRICULTURAL PROPERTY HAD NOT BEEN GRANTED.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 June 1, 2010, and shall be applicable to all taxable years beginning after June 30,
33 2010.