

HOUSE BILL 970

Q2

2lr0845

By: **Delegates Vitale, Beidle, Eckardt, George, Holmes, Kipke, Lafferty, Love, McConkey, and Schuh**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Credit – Commercial Revitalization Districts**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the
4 governing body of a county or municipal corporation to grant, by law, a tax
5 credit against the county or municipal corporation property tax imposed on
6 certain property that is attributable to certain physical improvements;
7 authorizing the county or municipal corporation to provide, by law, for the
8 amount and duration of the credit, eligibility criteria for the credit, certain
9 regulations and procedures, and any other provision necessary to carry out the
10 credit; providing for the application of this Act; and generally relating to a local
11 property tax credit for certain property located in commercial revitalization
12 districts.

13 BY adding to

14 Article – Tax – Property

15 Section 9–255

16 Annotated Code of Maryland

17 (2007 Replacement Volume and 2011 Supplement)

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

20 **Article – Tax – Property**

21 **9–255.**

22 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
23 MEANINGS INDICATED.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) “COMMERCIAL REVITALIZATION DISTRICT” MEANS AN AREA**
2 **DESIGNATED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
3 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION WITHIN WHICH**
4 **QUALIFIED PROPERTIES MAY BE ELIGIBLE TO RECEIVE A PROPERTY TAX**
5 **CREDIT UNDER THIS SECTION.**

6 **(3) “QUALIFIED IMPROVEMENTS” MEANS PHYSICAL**
7 **IMPROVEMENTS MADE TO A QUALIFIED PROPERTY THAT:**

8 **(I) ARE CONSTRUCTED IN ACCORDANCE WITH A PROPERLY**
9 **ISSUED BUILDING PERMIT; AND**

10 **(II) HAVE A FULL CASH VALUE OF AT LEAST \$50,000 IN THE**
11 **YEAR THE IMPROVEMENTS ARE SUBSTANTIALLY COMPLETED, AS REFLECTED IN**
12 **THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.**

13 **(4) (I) “QUALIFIED PROPERTY” MEANS A PROPERTY LOCATED**
14 **TOTALLY OR PARTIALLY WITHIN A COMMERCIAL REVITALIZATION DISTRICT**
15 **THAT IS A MANUFACTURED HOME PARK OR A COMMERCIAL OR INDUSTRIALLY**
16 **ZONED PROPERTY.**

17 **(II) “QUALIFIED PROPERTY” DOES NOT INCLUDE:**

- 18 1. **RESIDENTIAL PROPERTY;**
- 19 2. **UNDEVELOPED LAND;**
- 20 3. **PROPERTY USED PRIMARILY FOR THE PURPOSES**
21 **OF A PUBLIC UTILITY; OR**
- 22 4. **PROPERTY LOCATED IN A TAX INCREMENT**
23 **DEVELOPMENT DISTRICT.**

24 **(B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
25 **GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY**
26 **LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL PROPERTY**
27 **TAX IMPOSED ON QUALIFIED PROPERTY IN A COMMERCIAL REVITALIZATION**
28 **DISTRICT THAT IS ATTRIBUTABLE TO THE INCREASE IN THE REAL PROPERTY**
29 **TAX ASSESSMENT THAT IS SOLELY THE RESULT OF THE COMPLETION OF THE**
30 **QUALIFIED IMPROVEMENTS.**

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

4 **(1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS**
5 **SECTION;**

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

8 **(3) REGULATIONS AND PROCEDURES FOR THE TAX CREDIT**
9 **UNDER THIS SECTION; AND**

10 **(4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE**
11 **CREDIT UNDER THIS SECTION.**

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 June 1, 2012, and shall be applicable to all taxable years beginning after June 30,
14 2012.