

SENATE BILL 1022

C8, L3, Q2

3lr3221

By: **Senator Benson**

Introduced and read first time: February 22, 2013

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Green Business Zones**

3 FOR the purpose of creating the Capitol Heights, Fairmount Heights, Glenarden, and
4 Seat Pleasant green business zones in Prince George's County; requiring the
5 Secretary of Business and Economic Development to designate a not-for-profit
6 entity to establish certain job training, internship, and apprenticeship
7 standards that a green business must meet to receive certain incentives;
8 establishing the benefits available in the zones; requiring the Department of
9 Business and Economic Development and the Comptroller to assess annually
10 the effectiveness of certain tax credits provided to certain businesses located in
11 the zones and to submit a certain report; establishing a certain credit against
12 the State income tax for certain businesses located in the zones; establishing a
13 certain credit against certain property taxes imposed on certain real property
14 located in the zones; requiring a local governing body to certify to the State
15 Department of Assessments and Taxation the real properties in the zones that
16 qualify for a tax credit and the date of qualification; requiring that Department
17 to submit certain information to a local governing body before tax bills are sent;
18 requiring the State to remit funds to the county or municipal corporation to
19 offset a certain amount of property tax revenues not collected by the county or
20 municipal corporation because of the property tax credit; defining certain terms;
21 providing for the application of this Act; providing for the termination of this
22 Act; and generally relating to green business zones in Prince George's County
23 and the benefits available in the green business zones.

24 BY adding to

25 Article – Economic Development

26 Section 12-601 through 12-605 to be under the new subtitle "Subtitle 6. Green
27 Business Zones"

28 Annotated Code of Maryland

29 (2008 Volume and 2012 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Tax – General
3 Section 10–702.1
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2012 Supplement)

6 BY adding to
7 Article – Tax – Property
8 Section 9–103.1
9 Annotated Code of Maryland
10 (2012 Replacement Volume)

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

13 **Article – Economic Development**

14 **SUBTITLE 6. GREEN BUSINESS ZONES.**

15 **12–601.**

16 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 (B) “GREEN BUSINESS” MEANS A BUSINESS ENTITY THAT IS ENGAGED
19 PRIMARILY IN RESEARCHING, MANUFACTURING, OR DEPLOYING:

20 (1) RENEWABLE ENERGY TECHNOLOGIES OR SERVICES;

21 (2) ENERGY STORAGE TECHNOLOGIES OR SERVICES;

22 (3) ENERGY EFFICIENCY AND CONSERVATION TECHNOLOGIES OR
23 SERVICES; OR

24 (4) OTHER TECHNOLOGIES OR SERVICES THAT CONTRIBUTE
25 DIRECTLY OR INDIRECTLY TO:

26 (I) THE PRODUCTION OF ENERGY FROM RENEWABLE OR
27 SUSTAINABLE SOURCES; OR

28 (II) THE IMPROVEMENT OF EFFICIENCY IN THE USE OF
29 ENERGY.

30 (C) “GREEN BUSINESS ZONE” MEANS ANY OF THE GREEN BUSINESS
31 ZONES ESTABLISHED UNDER § 12–602 OF THIS SUBTITLE.

1 **12-602.**

2 (A) THERE IS A CAPITOL HEIGHTS GREEN BUSINESS ZONE IN PRINCE
3 GEORGE'S COUNTY THAT CONSISTS OF THE GEOGRAPHIC AREA OF THE
4 MUNICIPAL CORPORATION OF CAPITOL HEIGHTS.

5 (B) THERE IS A FAIRMOUNT HEIGHTS GREEN BUSINESS ZONE IN
6 PRINCE GEORGE'S COUNTY THAT CONSISTS OF THE GEOGRAPHIC AREA OF THE
7 MUNICIPAL CORPORATION OF FAIRMOUNT HEIGHTS.

8 (C) THERE IS A GLENARDEN GREEN BUSINESS ZONE IN PRINCE
9 GEORGE'S COUNTY THAT CONSISTS OF THE GEOGRAPHIC AREA OF THE
10 MUNICIPAL CORPORATION OF GLENARDEN.

11 (D) THERE IS A SEAT PLEASANT GREEN BUSINESS ZONE IN PRINCE
12 GEORGE'S COUNTY THAT CONSISTS OF THE GEOGRAPHIC AREA OF THE
13 MUNICIPAL CORPORATION OF SEAT PLEASANT.

14 **12-603.**

15 THE SECRETARY SHALL DESIGNATE A NOT-FOR-PROFIT ENTITY TO
16 DEVELOP JOB TRAINING, INTERNSHIP, AND APPRENTICESHIP PROGRAM
17 STANDARDS THAT A GREEN BUSINESS MUST MEET BEFORE RECEIVING THE
18 INCENTIVES UNDER § 12-604 OF THIS SUBTITLE.

19 **12-604.**

20 (A) TO THE EXTENT PROVIDED FOR IN THIS SECTION, A GREEN
21 BUSINESS IS ENTITLED TO:

22 (1) THE SPECIAL PROPERTY TAX CREDIT UNDER § 9-103.1 OF
23 THE TAX - PROPERTY ARTICLE; AND

24 (2) THE INCOME TAX CREDITS UNDER § 10-702.1 OF THE TAX -
25 GENERAL ARTICLE.

26 (B) A GREEN BUSINESS THAT MOVES INTO OR LOCATES IN A GREEN
27 BUSINESS ZONE ON OR AFTER JULY 1, 2013, BUT BEFORE JULY 1, 2018, MAY
28 BENEFIT FROM THE INCENTIVES IN THIS SECTION IF:

29 (1) THE GREEN BUSINESS MEETS THE REQUIREMENTS AND
30 CONDITIONS OF § 9-103.1 OF THE TAX - PROPERTY ARTICLE FOR A SPECIAL

1 PROPERTY TAX CREDIT OR § 10-702.1 OF THE TAX – GENERAL ARTICLE FOR AN
2 INCOME TAX CREDIT;

3 (2) THE NOT-FOR-PROFIT ENTITY DESIGNATED UNDER § 12-603
4 OF THIS SUBTITLE CERTIFIES THAT THE GREEN BUSINESS HAS COMPLIED WITH
5 THE STANDARDS ESTABLISHED BY THE NOT-FOR-PROFIT ENTITY UNDER §
6 12-603 OF THIS SUBTITLE; AND

7 (3) THE GREEN BUSINESS CREATES NEW OR ADDITIONAL JOBS OR
8 MAKES A CAPITAL INVESTMENT TO QUALIFY FOR THE PROPERTY TAX CREDIT
9 UNDER § 9-103.1 OF THE TAX – PROPERTY ARTICLE AND THE INCOME TAX
10 CREDITS UNDER § 10-702.1 OF THE TAX – GENERAL ARTICLE.

11 (C) (1) THE INCENTIVES PROVIDED FOR IN THIS SECTION ARE NOT
12 AVAILABLE TO A GREEN BUSINESS FOR A CAPITAL INVESTMENT MADE BY A
13 GREEN BUSINESS OR AN EXPANSION OF THE LABOR FORCE OF A GREEN
14 BUSINESS THAT OCCURS ON OR AFTER JULY 1, 2018.

15 (2) THE INCENTIVES PROVIDED FOR IN THIS SECTION ARE NOT
16 AVAILABLE TO A GREEN BUSINESS THAT WAS IN THE GREEN BUSINESS ZONE
17 BEFORE JULY 1, 2013, EXCEPT FOR A CAPITAL INVESTMENT OR EXPANSION OF
18 A BUSINESS'S LABOR FORCE THAT OCCURS ON OR AFTER JULY 1, 2013, BUT
19 BEFORE JULY 1, 2018.

20 (D) A LAW ENACTED AFTER THE ENACTMENT OF THIS SECTION THAT
21 ELIMINATES OR REDUCES THE BENEFITS AVAILABLE TO A GREEN BUSINESS
22 UNDER THIS SECTION DOES NOT APPLY TO A BUSINESS THAT, BEFORE THE
23 EFFECTIVE DATE OF THE LAW:

24 (1) WAS LOCATED IN A GREEN BUSINESS ZONE; AND

25 (2) MET THE DEFINITION OF A GREEN BUSINESS UNDER §
26 12-601 OF THIS SUBTITLE.

27 (E) (1) (I) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION,
28 A GREEN BUSINESS MAY NOT RECEIVE THE INCENTIVES SET FORTH IN
29 SUBSECTION (A) OF THIS SECTION IF THE BUSINESS IS LOCATED ON LAND OR
30 WITHIN IMPROVEMENTS OWNED BY THE FEDERAL GOVERNMENT, THE STATE, A
31 COUNTY, OR A MUNICIPAL CORPORATION UNLESS THE BUSINESS HAS FIRST
32 UTILIZED ALL APPLICABLE PROPERTY TAX EXEMPTIONS UNDER TITLE 7 OF THE
33 TAX – PROPERTY ARTICLE, INCLUDING ENTERING INTO ANY AVAILABLE
34 PAYMENT IN LIEU OF TAX AGREEMENT.

1 **(II) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT**
2 **APPLY TO A GREEN BUSINESS LEASING LAND OR IMPROVEMENTS OWNED BY**
3 **THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION.**

4 **(2) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, A**
5 **GREEN BUSINESS LOCATED IN A BRAC REVITALIZATION AND INCENTIVE ZONE**
6 **ESTABLISHED UNDER TITLE 5, SUBTITLE 13 OF THIS ARTICLE MAY NOT**
7 **RECEIVE THE PROPERTY TAX CREDIT UNDER § 9-103.1 OF THE TAX –**
8 **PROPERTY ARTICLE UNLESS:**

9 **(I) THE BUSINESS QUALIFIED FOR THE PROPERTY TAX**
10 **CREDIT BEFORE THE DATE THAT THE BRAC REVITALIZATION AND INCENTIVE**
11 **ZONE IS DESIGNATED; OR**

12 **(II) THE POLITICAL SUBDIVISION WHERE THE BUSINESS IS**
13 **LOCATED EXPRESSLY GRANTS THE PROPERTY TAX CREDIT TO THE BUSINESS.**

14 **(3) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION:**

15 **(I) A GREEN BUSINESS THAT RECEIVES THE PROPERTY TAX**
16 **CREDIT UNDER § 9-103 OF THE TAX – PROPERTY ARTICLE IS NOT ENTITLED TO**
17 **THE PROPERTY TAX CREDIT UNDER § 9-103.1 OF THE TAX – PROPERTY**
18 **ARTICLE; AND**

19 **(II) A GREEN BUSINESS THAT RECEIVES THE INCOME TAX**
20 **CREDITS UNDER § 10-702 OF THE TAX – GENERAL ARTICLE IS NOT ENTITLED**
21 **TO THE INCOME TAX CREDITS UNDER § 10-702.1 OF THE TAX – GENERAL**
22 **ARTICLE.**

23 **12-605.**

24 **(A) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL**
25 **ASSESS EACH YEAR THE EFFECTIVENESS OF THE TAX CREDITS PROVIDED TO**
26 **GREEN BUSINESSES IN THE GREEN BUSINESS ZONES, INCLUDING:**

27 **(1) THE NUMBER AND AMOUNTS OF CREDITS GRANTED EACH**
28 **YEAR; AND**

29 **(2) THE SUCCESS OF THE TAX CREDITS IN ATTRACTING AND**
30 **RETAINING GREEN BUSINESSES IN THE GREEN BUSINESS ZONES.**

31 **(B) ON OR BEFORE DECEMBER 15 EACH YEAR, THE DEPARTMENT AND**
32 **THE COMPTROLLER SHALL SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE**

1 WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
2 ASSEMBLY A REPORT OUTLINING THE FINDINGS OF THE DEPARTMENT AND THE
3 COMPTROLLER AND ANY OTHER INFORMATION OF VALUE IN DETERMINING THE
4 EFFECTIVENESS OF THE TAX CREDITS PROVIDED UNDER § 12-604 OF THIS
5 SUBTITLE.

6 **Article – Tax – General**

7 **10-702.1.**

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
9 MEANINGS INDICATED.

10 (2) “ECONOMICALLY DISADVANTAGED INDIVIDUAL” MEANS AN
11 INDIVIDUAL WHO IS CERTIFIED BY PROVISIONS THAT THE DEPARTMENT OF
12 LABOR, LICENSING, AND REGULATION ADOPTS AS AN INDIVIDUAL WHO,
13 BEFORE BECOMING EMPLOYED BY A GREEN BUSINESS IN A GREEN BUSINESS
14 ZONE:

15 (I) WAS BOTH UNEMPLOYED FOR AT LEAST 30
16 CONSECUTIVE DAYS AND QUALIFIED TO PARTICIPATE IN TRAINING ACTIVITIES
17 FOR THE ECONOMICALLY DISADVANTAGED UNDER TITLE II, PART B OF THE
18 FEDERAL WORKFORCE INVESTMENT ACT OR ITS SUCCESSOR; OR

19 (II) IN THE ABSENCE OF AN APPLICABLE FEDERAL ACT, MET
20 THE CRITERIA FOR AN ECONOMICALLY DISADVANTAGED INDIVIDUAL THAT THE
21 SECRETARY OF LABOR, LICENSING, AND REGULATION SETS.

22 (3) “GREEN BUSINESS” HAS THE MEANING STATED IN § 12-601
23 OF THE ECONOMIC DEVELOPMENT ARTICLE.

24 (4) “GREEN BUSINESS ZONE” HAS THE MEANING STATED IN §
25 12-601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

26 (5) “QUALIFIED EMPLOYEE” MEANS AN INDIVIDUAL WHO:

27 (I) IS A NEW EMPLOYEE OR AN EMPLOYEE REHIRED AFTER
28 BEING LAID OFF FOR MORE THAN 1 YEAR BY A GREEN BUSINESS;

29 (II) IS EMPLOYED BY A GREEN BUSINESS AT LEAST 35
30 HOURS EACH WEEK FOR AT LEAST 6 MONTHS BEFORE OR DURING THE TAXABLE
31 YEAR FOR WHICH THE GREEN BUSINESS CLAIMS A CREDIT;

1 **(III) SPENDS AT LEAST 50% OF THE HOURS UNDER ITEM (II)**
2 **OF THIS PARAGRAPH, EITHER IN A GREEN BUSINESS ZONE OR ON ACTIVITIES OF**
3 **THE GREEN BUSINESS RESULTING DIRECTLY FROM ITS LOCATION IN A GREEN**
4 **BUSINESS ZONE;**

5 **(IV) EARNS AT LEAST 150% OF THE FEDERAL MINIMUM**
6 **WAGE; AND**

7 **(V) IS HIRED BY THE GREEN BUSINESS AFTER THE LATER**
8 **OF:**

9 **1. JULY 1, 2013; OR**

10 **2. THE DATE ON WHICH THE GREEN BUSINESS**
11 **LOCATES IN A GREEN BUSINESS ZONE.**

12 **(B) (1) ANY GREEN BUSINESS THAT IS LOCATED IN A GREEN**
13 **BUSINESS ZONE AND SATISFIES THE REQUIREMENTS OF § 12-604 OF THE**
14 **ECONOMIC DEVELOPMENT ARTICLE MAY CLAIM A CREDIT AGAINST THE STATE**
15 **INCOME TAX ONLY FOR THE WAGES SPECIFIED IN SUBSECTIONS (C) AND (D) OF**
16 **THIS SECTION THAT ARE PAID IN THE TAXABLE YEAR FOR WHICH THE BUSINESS**
17 **CLAIMS THE CREDIT.**

18 **(2) AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER §**
19 **501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE MAY APPLY THE CREDIT**
20 **UNDER THIS SECTION AS A CREDIT AGAINST INCOME TAX DUE ON UNRELATED**
21 **BUSINESS TAXABLE INCOME AS PROVIDED UNDER §§ 10-304 AND 10-812 OF**
22 **THIS TITLE.**

23 **(C) FOR THE TAXABLE YEAR IN WHICH A GREEN BUSINESS SATISFIES**
24 **THE REQUIREMENTS OF § 12-604 OF THE ECONOMIC DEVELOPMENT ARTICLE,**
25 **A CREDIT IS ALLOWED THAT EQUALS:**

26 **(1) UP TO \$3,000 OF THE WAGES PAID TO EACH QUALIFIED**
27 **EMPLOYEE WHO:**

28 **(I) IS AN ECONOMICALLY DISADVANTAGED INDIVIDUAL;**
29 **AND**

30 **(II) IS NOT HIRED TO REPLACE AN INDIVIDUAL WHOM THE**
31 **GREEN BUSINESS EMPLOYED IN THAT OR ANY OF THE 3 PRECEDING TAXABLE**
32 **YEARS; AND**

1 **(2) UP TO \$1,000 OF THE WAGES PAID TO EACH QUALIFIED**
2 **EMPLOYEE WHO:**

3 **(I) IS NOT AN ECONOMICALLY DISADVANTAGED**
4 **INDIVIDUAL; AND**

5 **(II) IS NOT HIRED TO REPLACE AN INDIVIDUAL WHOM THE**
6 **GREEN BUSINESS EMPLOYED IN THAT OR ANY OF THE 3 PRECEDING TAXABLE**
7 **YEARS.**

8 **(D) (1) FOR EACH TAXABLE YEAR AFTER THE TAXABLE YEAR**
9 **DESCRIBED IN SUBSECTION (C) OF THIS SECTION, BUT NOT AFTER DECEMBER**
10 **31, 2023, A CREDIT IS ALLOWED THAT EQUALS:**

11 **(I) UP TO \$3,000 OF THE WAGES PAID TO EACH QUALIFIED**
12 **EMPLOYEE WHO:**

13 **1. IS AN ECONOMICALLY DISADVANTAGED**
14 **INDIVIDUAL;**

15 **2. BECAME A QUALIFIED EMPLOYEE DURING THE**
16 **TAXABLE YEAR TO WHICH THE CREDIT APPLIES; AND**

17 **3. IS NOT HIRED TO REPLACE AN INDIVIDUAL WHOM**
18 **THE GREEN BUSINESS EMPLOYED IN THAT OR ANY OF THE 3 PRECEDING**
19 **TAXABLE YEARS;**

20 **(II) UP TO \$2,000 OF THE WAGES PAID TO EACH QUALIFIED**
21 **EMPLOYEE WHO IS AN ECONOMICALLY DISADVANTAGED INDIVIDUAL, IF THE**
22 **GREEN BUSINESS RECEIVED A CREDIT UNDER SUBSECTION (C)(1) OF THIS**
23 **SECTION FOR THE QUALIFIED EMPLOYEE IN THE IMMEDIATELY PRECEDING**
24 **TAXABLE YEAR; AND**

25 **(III) UP TO \$1,000 OF THE WAGES PAID TO EACH QUALIFIED**
26 **EMPLOYEE WHO IS NOT HIRED TO REPLACE AN INDIVIDUAL WHOM THE GREEN**
27 **BUSINESS EMPLOYED IN THAT OR ANY OF THE 3 PRECEDING TAXABLE YEARS IF**
28 **THE QUALIFIED EMPLOYEE:**

29 **1. IS AN ECONOMICALLY DISADVANTAGED**
30 **INDIVIDUAL FOR WHOM THE GREEN BUSINESS RECEIVED A CREDIT UNDER**
31 **SUBSECTION (C)(1) OF THIS SECTION OR ITEM (I) OF THIS PARAGRAPH AND A**
32 **CREDIT UNDER ITEM (II) OF THIS PARAGRAPH IN THE 2 IMMEDIATELY**
33 **PRECEDING TAXABLE YEARS; OR**

1 **2. IS NOT AN ECONOMICALLY DISADVANTAGED**
2 **INDIVIDUAL BUT BECAME A QUALIFIED EMPLOYEE DURING THE TAXABLE YEAR**
3 **TO WHICH THE CREDIT APPLIES.**

4 **(2) A GREEN BUSINESS THAT HIRES A QUALIFIED EMPLOYEE TO**
5 **REPLACE ANOTHER QUALIFIED EMPLOYEE FOR WHOM THE GREEN BUSINESS**
6 **RECEIVED A CREDIT UNDER SUBSECTION (C)(1) OF THIS SECTION AND**
7 **PARAGRAPH (1)(II) OF THIS SUBSECTION IN THE IMMEDIATELY PRECEDING**
8 **TAXABLE YEAR MAY TREAT THE NEW QUALIFIED EMPLOYEE AS THE**
9 **REPLACEMENT FOR THE OTHER QUALIFIED EMPLOYEE TO DETERMINE ANY**
10 **CREDIT THAT MAY BE AVAILABLE TO THE GREEN BUSINESS UNDER PARAGRAPH**
11 **(1)(II) OR (III) OF THIS SUBSECTION.**

12 **(E) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE**
13 **YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, A GREEN**
14 **BUSINESS MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE INCOME**
15 **TAX FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:**

16 **(1) THE FULL AMOUNT OF THE EXCESS IS USED; OR**

17 **(2) THE EXPIRATION OF THE 5TH TAXABLE YEAR FROM THE DATE**
18 **ON WHICH THE GREEN BUSINESS HIRED THE QUALIFIED EMPLOYEE TO WHOM**
19 **THE CREDIT FIRST APPLIES.**

20 **Article – Tax – Property**

21 **9–103.1.**

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

24 **(2) “BASE YEAR” MEANS THE TAXABLE YEAR IMMEDIATELY**
25 **BEFORE THE TAXABLE YEAR IN WHICH A PROPERTY TAX CREDIT UNDER THIS**
26 **SECTION IS TO BE GRANTED.**

27 **(3) (I) “BASE YEAR VALUE” MEANS THE VALUE OF THE**
28 **PROPERTY USED TO DETERMINE THE ASSESSMENT ON WHICH THE PROPERTY**
29 **TAX ON REAL PROPERTY WAS IMPOSED FOR THE BASE YEAR.**

30 **(II) “BASE YEAR VALUE” DOES NOT INCLUDE ANY NEW REAL**
31 **PROPERTY THAT WAS FIRST ASSESSED IN THE BASE YEAR.**

1 **(4) (I) “ELIGIBLE ASSESSMENT” MEANS THE DIFFERENCE**
2 **BETWEEN THE BASE YEAR VALUE AND THE ACTUAL VALUE AS DETERMINED BY**
3 **THE DEPARTMENT FOR THE APPLICABLE TAXABLE YEAR IN WHICH THE TAX**
4 **CREDIT UNDER THIS SECTION IS TO BE GRANTED.**

5 **(II) FOR A BUSINESS ENTITY THAT IS LOCATED ON LAND OR**
6 **WITHIN IMPROVEMENTS OWNED BY THE FEDERAL, STATE, COUNTY, OR**
7 **MUNICIPAL GOVERNMENT, “ELIGIBLE ASSESSMENT” MEANS THE DIFFERENCE**
8 **BETWEEN THE BASE YEAR VALUE AND THE ACTUAL VALUE REDUCED BY THE**
9 **VALUE OF ANY PROPERTY ENTITLED TO AN EXEMPTION UNDER TITLE 7 OF THIS**
10 **ARTICLE AS DETERMINED BY THE DEPARTMENT FOR THE APPLICABLE TAXABLE**
11 **YEAR IN WHICH THE TAX CREDIT UNDER THIS SECTION IS TO BE GRANTED.**

12 **(5) “GREEN BUSINESS” HAS THE MEANING STATED IN § 12-601**
13 **OF THE ECONOMIC DEVELOPMENT ARTICLE.**

14 **(6) “GREEN BUSINESS ZONE” HAS THE MEANING STATED IN §**
15 **12-601 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

16 **(7) “QUALIFIED PROPERTY” MEANS REAL PROPERTY THAT IS:**

17 **(I) NOT USED FOR RESIDENTIAL PURPOSES;**

18 **(II) USED IN A TRADE OR BUSINESS BY A GREEN BUSINESS**
19 **THAT MEETS THE REQUIREMENTS OF § 12-604 OF THE ECONOMIC**
20 **DEVELOPMENT ARTICLE; AND**

21 **(III) LOCATED IN A GREEN BUSINESS ZONE ESTABLISHED**
22 **UNDER TITLE 12, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

23 **(B) THE GOVERNING BODY OF THE COUNTY OR APPLICABLE MUNICIPAL**
24 **CORPORATION SHALL GRANT A TAX CREDIT UNDER THIS SECTION AGAINST THE**
25 **PROPERTY TAX IMPOSED ON THE ELIGIBLE ASSESSMENT OF QUALIFIED**
26 **PROPERTY.**

27 **(C) (1) THE APPROPRIATE GOVERNING BODY SHALL CALCULATE THE**
28 **AMOUNT OF THE TAX CREDIT UNDER THIS SECTION EQUAL TO A PERCENT OF**
29 **THE AMOUNT OF PROPERTY TAX IMPOSED ON THE ELIGIBLE ASSESSMENT OF**
30 **THE QUALIFIED PROPERTY, AS FOLLOWS:**

31 **(I) 80% IN EACH OF THE 1ST 5 TAXABLE YEARS FOLLOWING**
32 **THE CALENDAR YEAR IN WHICH THE PROPERTY INITIALLY BECOMES A**
33 **QUALIFIED PROPERTY;**

- 1 (II) 70% IN THE 6TH TAXABLE YEAR;
- 2 (III) 60% IN THE 7TH TAXABLE YEAR;
- 3 (IV) 50% IN THE 8TH TAXABLE YEAR;
- 4 (V) 40% IN THE 9TH TAXABLE YEAR; AND
- 5 (VI) 30% IN THE 10TH TAXABLE YEAR.

6 (2) THE DEPARTMENT SHALL ALLOCATE THE ELIGIBLE
7 ASSESSMENT TO THE NONRESIDENTIAL PART OF THE QUALIFIED PROPERTY AT
8 THE SAME PERCENT AS THE SQUARE FOOTAGE OF THE NONRESIDENTIAL PART
9 IS TO THE TOTAL SQUARE FOOTAGE OF THE BUILDING.

10 (3) FOR PURPOSES OF CALCULATING THE AMOUNT OF THE
11 CREDIT ALLOWED UNDER THIS SECTION, THE AMOUNT OF PROPERTY TAX
12 IMPOSED ON THE ELIGIBLE ASSESSMENT SHALL BE CALCULATED WITHOUT
13 REDUCTION FOR ANY CREDITS ALLOWED UNDER THIS TITLE.

14 (D) (1) A TAX CREDIT UNDER THIS SECTION IS AVAILABLE TO A
15 QUALIFIED PROPERTY FOR NOT MORE THAN 10 CONSECUTIVE YEARS
16 BEGINNING WITH THE TAXABLE YEAR FOLLOWING THE CALENDAR YEAR IN
17 WHICH THE REAL PROPERTY INITIALLY BECOMES A QUALIFIED PROPERTY.

18 (2) STATE PROPERTY TAX IMPOSED ON REAL PROPERTY IS NOT
19 AFFECTED BY THIS SECTION.

20 (E) EACH APPROPRIATE GOVERNING BODY SHALL CERTIFY TO THE
21 STATE DEPARTMENT OF ASSESSMENTS AND TAXATION:

22 (1) THE REAL PROPERTIES IN EACH GREEN BUSINESS ZONE THAT
23 ARE QUALIFIED PROPERTIES FOR EACH TAXABLE YEAR FOR WHICH THE
24 PROPERTY TAX CREDIT UNDER THIS SECTION IS TO BE GRANTED; AND

25 (2) THE DATE THAT THE REAL PROPERTIES BECAME QUALIFIED
26 PROPERTIES.

27 (F) BEFORE PROPERTY TAX BILLS ARE SENT, THE DEPARTMENT SHALL
28 SUBMIT TO EACH APPROPRIATE GOVERNING BODY A LIST OF:

29 (1) EACH QUALIFIED PROPERTY;

1 **(2) THE AMOUNT OF THE BASE YEAR VALUE FOR EACH QUALIFIED**
2 **PROPERTY; AND**

3 **(3) THE AMOUNT OF THE ELIGIBLE ASSESSMENT FOR EACH**
4 **QUALIFIED PROPERTY.**

5 **(G) AS PROVIDED IN THE STATE BUDGET, THE STATE SHALL REMIT TO**
6 **THE COUNTY AND EACH MUNICIPAL CORPORATION AN AMOUNT EQUAL TO**
7 **ONE-HALF OF THE FUNDS THAT WOULD HAVE BEEN COLLECTED IF THE**
8 **PROPERTY TAX CREDIT UNDER THIS SECTION HAD NOT BEEN GRANTED.**

9 **(H) (1) QUARTERLY OR MORE FREQUENTLY, THE COUNTY OR**
10 **MUNICIPAL CORPORATION SHALL SUBMIT A REQUEST TO THE DEPARTMENT**
11 **FOR THE AMOUNT REQUIRED BY SUBSECTION (G) OF THIS SECTION.**

12 **(2) WITHIN 5 WORKING DAYS AFTER THE DEPARTMENT**
13 **RECEIVES THE REQUEST FROM THE COUNTY OR MUNICIPAL CORPORATION, THE**
14 **DEPARTMENT SHALL CERTIFY TO THE COMPTROLLER THE REIMBURSEMENT**
15 **DUE TO THE COUNTY OR MUNICIPAL CORPORATION.**

16 **(3) WITHIN 5 WORKING DAYS AFTER THE COMPTROLLER**
17 **RECEIVES THE CERTIFICATION FROM THE DEPARTMENT, THE COMPTROLLER**
18 **SHALL REIMBURSE THE COUNTY OR MUNICIPAL CORPORATION.**

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 July 1, 2013, and shall be applicable to taxable years beginning after December 31,
21 2012. It shall remain effective for a period of 15 years and, at the end of June 30, 2028,
22 with no further action required by the General Assembly, this Act shall be abrogated
23 and be of no further force and effect.