

HOUSE BILL 223

Q1

4lr1333

By: ~~Delegate Rosenberg~~ Delegates Rosenberg and Cardin

Introduced and read first time: January 17, 2014

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2014

CHAPTER _____

1 AN ACT concerning

2 **Property Tax Credit – Urban Agricultural Property – Applicability**

3 FOR the purpose of altering the eligibility criteria for a certain property tax credit for
4 certain agricultural property; ~~authorizing the Mayor and City Council of~~
5 ~~Baltimore City or the governing body of a county or of a municipal corporation~~
6 ~~to provide for a refund of certain property taxes paid for certain taxable years~~
7 ~~under certain circumstances~~; altering a certain definition; providing for the
8 application of this Act; and generally relating to a property tax credit for
9 agricultural property.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – Property
12 Section 9–253
13 Annotated Code of Maryland
14 (2012 Replacement Volume and 2013 Supplement)

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

17 **Article – Tax – Property**

18 9–253.

19 (a) (1) In this section the following words have the meanings indicated.

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 (2) “Urban agricultural property” means real property that is:

2 (i) at least one-eighth of an acre and not more than 5 acres;

3 (ii) located in a priority funding area, as defined in § 5–7B–02 of
4 the State Finance and Procurement Article; and

5 (iii) used [exclusively] for urban agricultural purposes.

6 (3) “Urban agricultural purposes” means:

7 (i) crop production activities, including the use of mulch or
8 cover crops to ensure maximum productivity and minimize runoff and weed
9 production;

10 (ii) environmental mitigation activities, including stormwater
11 abatement and groundwater protection;

12 (iii) community development activities, including recreational
13 activities, food donations, and food preparation and canning classes;

14 (iv) economic development activities, including employment and
15 training opportunities, and direct sales to restaurants and institutions; and

16 (v) temporary produce stands used for the sale of produce raised
17 on the premises.

18 (b) The Mayor and City Council of Baltimore City or the governing body of a
19 county or of a municipal corporation may grant, by law, a tax credit against the county
20 or municipal corporation property tax imposed on urban agricultural property.

21 (c) (1) Except as provided in paragraph (2) of this subsection, a tax credit
22 under this section shall be granted for 5 years.

23 (2) (i) If the Mayor and City Council of Baltimore City or the
24 governing body of a county or of a municipal corporation grants a tax credit under this
25 section, the jurisdiction granting a tax credit shall evaluate the effectiveness of the
26 credit after 3 years.

27 (ii) If the jurisdiction granting the tax credit determines that
28 the tax credit is ineffective in promoting urban agricultural purposes, the jurisdiction
29 granting a tax credit may terminate the tax credit.

30 (iii) The jurisdiction granting a tax credit under this section may
31 extend the tax credit for an additional 5 years.

1 (d) The Mayor and City Council of Baltimore City or the governing body of a
2 county or of a municipal corporation may provide, by law, for:

- 3 (1) the amount of the tax credit under this section;
- 4 (2) additional eligibility criteria for the tax credit under this section;
- 5 (3) regulations and procedures for the application and uniform
6 processing of requests for the tax credit; and
- 7 (4) any other provision necessary to carry out the credit under this
8 section.

9 (e) At any time during the period for which a property tax credit under this
10 section is granted for urban agricultural property, if the property ceases to be used for
11 urban agricultural purposes, the owner of the property shall be liable for all property
12 taxes that would have been imposed if a property tax credit for urban agricultural
13 property had not been granted.

14 ~~(F) IF A PROPERTY TAX CREDIT IS GRANTED UNDER THIS SECTION ON~~
15 ~~OR AFTER JUNE 1, 2014, THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY~~
16 ~~OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY~~
17 ~~PROVIDE A REFUND OF PROPERTY TAX PAID FOR TAXABLE YEARS BEGINNING~~
18 ~~ON OR AFTER JULY 1, 2010, ON PROPERTY USED FOR URBAN AGRICULTURAL~~
19 ~~PURPOSES THAT DID NOT QUALIFY FOR A PROPERTY TAX CREDIT UNDER THIS~~
20 ~~SECTION BEFORE JUNE 1, 2014.~~

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 June 1, 2014, and shall be applicable to all taxable years beginning after June 30,
23 2014.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.