

# SENATE BILL 930

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7lr2922  
CF HB 695

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By: **Chair, Anne Arundel County Senators**  
Introduced and read first time: February 3, 2017  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County – Property Tax – Payment in Lieu of Taxes Agreements –**  
3 **Economic Development Projects**

4 FOR the purpose of authorizing the governing body of Anne Arundel County to enter into  
5 an agreement with the owner of a certain economic development project for payment  
6 in lieu of the county real and personal property tax; exempting certain property of  
7 an economic development project in Anne Arundel County from county property tax  
8 under certain circumstances; requiring that a payment in lieu of taxes agreement  
9 include certain provisions; and generally relating to authorizing certain payment in  
10 lieu of taxes agreements in Anne Arundel County.

11 BY adding to  
12 Article – Tax – Property  
13 Section 7–520  
14 Annotated Code of Maryland  
15 (2012 Replacement Volume and 2016 Supplement)

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

18 **Article – Tax – Property**

19 **7–520.**

20 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
21 **INDICATED.**

22 **(2) “ECONOMIC DEVELOPMENT PROJECT” MEANS A REAL ESTATE**  
23 **DEVELOPMENT PROJECT IN ANNE ARUNDEL COUNTY THAT CONSISTS OF NEWLY**  
24 **CONSTRUCTED OR REHABILITATED COMMERCIAL PROPERTY IF THE PROPERTY HAS**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 NOT BEEN THE SUBJECT OF A CONDEMNATION OR EMINENT DOMAIN PROCEEDING  
2 UNDERTAKEN FOR PURPOSES RELATED TO THE PROJECT.

3 (3) "PUBLIC BENEFIT" MEANS AN EXTRAORDINARY AND  
4 QUANTIFIABLE SERVICE TO BE PROVIDED BY THE ECONOMIC DEVELOPMENT  
5 PROJECT FOR THE BENEFIT OF SCHOOLS, PUBLIC SAFETY, OR OTHER LOCAL  
6 GOVERNMENT SERVICES BEYOND THAT WHICH WOULD ARISE GENERALLY FROM A  
7 PRIVATE BUSINESS DEVELOPMENT PROJECT.

8 (B) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY MAY EXEMPT OR  
9 PARTIALLY EXEMPT AN ECONOMIC DEVELOPMENT PROJECT FROM THE COUNTY  
10 REAL OR PERSONAL PROPERTY TAX IF:

11 (1) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT  
12 DEMONSTRATES TO THE SATISFACTION OF THE ANNE ARUNDEL COUNTY  
13 EXECUTIVE AND COUNTY COUNCIL OF ANNE ARUNDEL COUNTY THAT THE  
14 PROJECT IS AN ECONOMIC DEVELOPMENT PROJECT THAT PROVIDES A PUBLIC  
15 BENEFIT; AND

16 (2) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT AND THE  
17 COUNTY ENTER INTO A PAYMENT IN LIEU OF TAXES AGREEMENT, APPROVED BY  
18 ORDINANCE OF THE COUNTY COUNCIL, THAT SPECIFIES:

19 (I) ANY AMOUNT THAT THE OWNER OF THE ECONOMIC  
20 DEVELOPMENT PROJECT SHALL PAY TO THE COUNTY EACH YEAR IN LIEU OF THE  
21 PAYMENT OF COUNTY REAL OR PERSONAL PROPERTY TAXES DURING THE TERM OF  
22 THE AGREEMENT;

23 (II) ANY SERVICES THAT THE ECONOMIC DEVELOPMENT  
24 PROJECT SHALL PROVIDE TO THE COUNTY EACH YEAR OF THE TERM OF THE  
25 PAYMENT IN LIEU OF TAXES AGREEMENT;

26 (III) THE TERM OF THE AGREEMENT; AND

27 (IV) THAT EACH YEAR AFTER THE EXPIRATION OR TERMINATION  
28 OF THE AGREEMENT, FULL REAL AND PERSONAL PROPERTY TAXES SHALL BE  
29 PAYABLE ON THE PROPERTY.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
31 1, 2017.