

SB0885/179639/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 885

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in lines 4, 7, and 12, in each instance, after “individual” insert “, a nonprofit organization.”; in line 5, strike “rehabilitation expenses” and substitute “new construction costs and rehabilitation costs”; in line 6, after “State;” insert “prohibiting the Comptroller and the Secretary of Housing and Community Development from recapturing the credit under certain circumstances;”; strike beginning with “of” in line 6 down through “Development” in line 7; in line 13, after the comma insert “carry forward the credit.”; and in line 23, after “1-101(a)” insert “, (g).”.

AMENDMENT NO. 2

On page 2, after line 13, insert:

“(g) “Nonprofit organization” means a corporation, foundation, or other legal entity, no part of the net earnings of which inures to the benefit of a private shareholder or individual holding an interest in the entity.”;

strike line 17 in its entirety; in line 18, strike “(1)” and substitute “**IN THIS SUBTITLE,**”; in line 19, strike “**HISTORIC**”; in lines 20 and 22, strike “(I)” and “(II)”, respectively, and substitute “(1)” and “(2)”, respectively; in line 21, strike “AND”; in line 23, strike “**2,500 FEET OF THE PROPERTY**” and substitute “**THE COMMUNITY IN WHICH THE PROPERTY IS LOCATED**”; strike in their entirety lines 25 through 27, inclusive; after line 27, insert:

“(3) **THAT IS OUT OF SERVICE AND WAS FORMERLY USED AS A COLLEGE OR UNIVERSITY, K-12 SCHOOL, HOSPITAL, MENTAL HEALTH FACILITY, OR MILITARY FACILITY OR INSTALLATION.**”;

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in line 29, before “**AN**” insert “**(A)**”; and in the same line, after “**INDIVIDUAL**” insert “**, A NONPROFIT ORGANIZATION,**”.

On page 3, after line 3, insert:

“(B) THE COMPTROLLER OR THE SECRETARY MAY NOT RECAPTURE A TAX CREDIT AUTHORIZED UNDER THIS SUBTITLE IF:

(1) THE CATALYTIC REVITALIZATION PROJECT IS TRANSFERRED, IN WHOLE OR IN PART, BY FEE SIMPLE TRANSFER OF REAL PROPERTY OR BY TRANSFER OF AN OWNERSHIP INTEREST IN THE ENTITY THAT OWNS THE PROJECT TO A NEW OWNER; AND

(2) THE SECRETARY HAS ISSUED A FINAL TAX CREDIT CERTIFICATE FOR THE CATALYTIC REVITALIZATION PROJECT UNDER § 6-803 OF THIS SUBTITLE.”;

in line 5, after “**(A)**” insert “**(1)**”; in the same line, after “**OF**” insert “**PARAGRAPHS (2) AND (3) OF THIS SUBSECTION AND**”; in line 6, after “**INDIVIDUAL**” insert “**, A NONPROFIT ORGANIZATION,**”; in lines 8 and 11, strike “**(1)**” and “**(2)**”, respectively, and substitute “**(I)**” and “**(II)**”, respectively; in lines 9 and 10, strike “**REHABILITATION EXPENSES**” and substitute “**NEW CONSTRUCTION COSTS AND REHABILITATION COSTS**”; in lines 9 and 13, in each instance, after “**INDIVIDUAL’S**” insert “**, NONPROFIT ORGANIZATION’S,**”; in line 13, strike “**REHABILITATION EXPENSES**” and substitute “**NEW CONSTRUCTION COSTS AND REHABILITATION COSTS**”; after line 14, insert:

“(2) FOR PURPOSES OF CALCULATING THE CREDIT AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION, NEW CONSTRUCTION COSTS:

(I) MUST BE RELATED TO THE CONSTRUCTION OF NEW STRUCTURES THAT CONNECT, EXPAND, OR INTEGRATE THE EXISTING STRUCTURES TO BE REHABILITATED; AND

(II) MAY NOT EXCEED 50% OF THE TOTAL COSTS OF THE CATALYTIC REVITALIZATION PROJECT.

(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE SECRETARY MAY NOT ISSUE AN INITIAL OR FINAL TAX CREDIT CERTIFICATE UNDER PARAGRAPH (1) OF THIS SUBSECTION BEFORE JANUARY 1, 2025.

(II) THE SECRETARY MAY ISSUE AN INITIAL OR FINAL TAX CREDIT CERTIFICATE UNDER PARAGRAPH (1) OF THIS SUBSECTION BEFORE JANUARY 1, 2025, IF THE COMPTROLLER DETERMINES THAT ISSUING THE TAX CREDIT CERTIFICATE WILL NOT RESULT IN A REDUCTION OR REPAYMENT OF FEDERAL FUNDS AUTHORIZED UNDER THE FEDERAL AMERICAN RESCUE PLAN ACT OF 2021.”;

in line 18, strike “FOR ANY TAXABLE YEAR” and substitute “FOR ANY CATALYTIC REVITALIZATION PROJECT”; in line 20, strike “\$10,000,000” and substitute “\$15,000,000”; and in lines 22, 23, and 30, in each instance, after “INDIVIDUAL” insert “, NONPROFIT ORGANIZATION,”.

On page 4, in line 4, strike “OR”; after line 4, insert:

“(II) MAY CARRY FORWARD AND APPLY THE EXCESS CREDIT FOR SUCCEEDING TAXABLE YEARS UNTIL THE FULL AMOUNT OF THE CREDIT IS USED; OR”;

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in line 5, strike “(II)” and substitute “(III) MAY”; in lines 6 and 26, in each instance, after “INDIVIDUAL” insert “, A NONPROFIT ORGANIZATION,”; in line 13, strike “HISTORIC PROPERTIES AND REHABILITATIONS” and substitute “NEW CONSTRUCTION COSTS AND REHABILITATION COSTS”; in line 18, strike “2025” and substitute “2031”; in line 22, after the second comma insert “CARRIED FORWARD,”; after line 25, insert:

“(A) IN THIS SECTION, “NONPROFIT ORGANIZATION” HAS THE MEANING STATED IN § 1-101 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

(B);

and in line 28, strike “REHABILITATION EXPENSES” and substitute “NEW CONSTRUCTION COSTS AND REHABILITATION COSTS”.