

# HOUSE BILL 865

Q3

11r2397  
CF 11r2598

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By: **Delegate Smith**

Introduced and read first time: January 29, 2021

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Historic Revitalization Tax Credit – Small Commercial Projects – Alterations**

3 FOR the purpose of increasing the maximum aggregate amount of initial tax credit  
4 certificates that the Director of the Maryland Historic Trust may issue under the  
5 historic revitalization tax credit program for certain small commercial projects; and  
6 generally relating to the historic revitalization tax credit.

7 BY repealing and reenacting, without amendments,  
8 Article – State Finance and Procurement  
9 Section 5A–303(a)(1) and (30)  
10 Annotated Code of Maryland  
11 (2015 Replacement Volume and 2020 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – State Finance and Procurement  
14 Section 5A–303(e)  
15 Annotated Code of Maryland  
16 (2015 Replacement Volume and 2020 Supplement)

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

19 **Article – State Finance and Procurement**

20 5A–303.

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

22 (30) “Small commercial project” means a rehabilitation of a structure if:

23 (i) the qualified rehabilitation expenditures do not exceed \$500,000;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 and

2 (ii) 1. the structure is primarily used for commercial,  
3 income-producing purposes;

4 2. the structure:

5 A. is a residential unit in a consecutive series of similar  
6 residential units that are arranged in a row, side by side; and

7 B. is sold as part of a development project for exclusive  
8 occupancy to, and occupied by, the resident;

9 3. the structure is a targeted project; or

10 4. the structure is a condominium or cooperative project and  
11 the rehabilitation targets only the common elements of the condominium or cooperative  
12 project.

13 (e) (1) Subject to the provisions of this subsection, the Director shall issue an  
14 initial credit certificate for each approved small commercial project on a first-come,  
15 first-served basis.

16 (2) An initial credit certificate issued under this subsection shall state the  
17 maximum amount of tax credit for which the applicant is eligible.

18 (3) (i) The Director may not issue an initial credit certificate under this  
19 subsection after the aggregate amount of initial credit certificates issued for small  
20 commercial projects totals ~~[\$4,000,000]~~ **\$5,000,000**.

21 (ii) For a targeted project, the Director may not issue an initial credit  
22 certificate under this subsection:

23 1. after the aggregate amount of initial credit certificates  
24 issued for agricultural structures totals \$1,000,000; or

25 2. after the aggregate amount of initial credit certificates  
26 issued for post-World War II structures totals \$1,000,000.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
28 1, 2021.