

SENATE BILL 659

Q3

11r2598
CF HB 865

By: **Senator Guzzone**

Introduced and read first time: February 3, 2021

Assigned to: Budget and Taxation

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;

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.