

# HOUSE BILL 1281

C8, Q1, Q7

4lr2216  
CF SB 14

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By: **Delegates Hartman, Amprey, Anderton, Arentz, Barnes, Boafo, Buckel, Chisholm, Ghrist, Griffith, Harris, Hornberger, Ivey, Mangione, McComas, T. Morgan, Otto, Pippy, Rose, and Spiegel**

Introduced and read first time: February 9, 2024

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2024

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Economic Development – Tourism Zones – Designation and Benefits**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the  
4 governing body of a county or municipality to designate, by law, an area within that  
5 political subdivision as a tourism zone under certain circumstances; providing that  
6 the designation of an area as a tourism zone may not preclude the area from also  
7 being designated as a certain arts and entertainment district; authorizing a county  
8 or municipality to exempt from the admissions and amusement tax gross receipts  
9 from certain admissions or amusement charges levied in a tourism zone; authorizing  
10 the Mayor and City Council of Baltimore City or the governing body of a county or  
11 municipality to grant, by law, a property tax credit against the county or municipal  
12 property tax imposed on certain real property and certain personal property located  
13 within a tourism zone; and generally relating to the designation of tourism zones  
14 within counties and municipalities.

15 BY adding to

16 Article – Local Government

17 Section 18–401 through 18–403 to be under the new subtitle “Subtitle 4. Tourism  
18 Zones”

19 Annotated Code of Maryland

20 (2013 Volume and 2023 Supplement)

21 BY adding to

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### 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 Article – Tax – General  
2 Section 4–104(g)  
3 Annotated Code of Maryland  
4 (2022 Replacement Volume and 2023 Supplement)

5 BY adding to  
6 Article – Tax – Property  
7 Section 9–268 and 9–269  
8 Annotated Code of Maryland  
9 (2019 Replacement Volume and 2023 Supplement)

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

12 **Article – Local Government**

13 **SUBTITLE 4. TOURISM ZONES.**

14 **18–401.**

15 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
16 INDICATED.

17 (B) “QUALIFYING TOURISM ENTERPRISE” MEANS A FOR–PROFIT OR  
18 NONPROFIT ENTITY THAT CONDUCTS BUSINESS WITHIN A TOURISM ZONE, SUBJECT  
19 TO THE LIMITATIONS SPECIFIED BY THE POLITICAL SUBDIVISION WITHIN WHICH  
20 THE TOURISM ZONE IS LOCATED.

21 (C) “TOURISM ZONE” MEANS A DEVELOPED ZONE OF PUBLIC AND PRIVATE  
22 USES THAT IS DESIGNATED BY A POLITICAL SUBDIVISION FOR THE DEVELOPMENT  
23 OF TRAVEL AND TOURISM AND LOCATED WITHIN THAT POLITICAL SUBDIVISION.

24 **18–402.**

25 (A) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
26 GOVERNING BODY OF A COUNTY OR MUNICIPALITY MAY DESIGNATE, BY LAW, AN  
27 AREA WITHIN THE POLITICAL SUBDIVISION AS A TOURISM ZONE.

28 (B) IN DESIGNATING A TOURISM ZONE UNDER SUBSECTION (A) OF THIS  
29 SECTION, THE POLITICAL SUBDIVISION MAY PROVIDE, BY LAW, FOR:

30 (1) THE DURATION OF THE DESIGNATION; AND

31 (2) ELIGIBILITY CRITERIA TO QUALIFY AS A QUALIFYING TOURISM  
32 ENTERPRISE.

1 (C) THE DESIGNATION OF AN AREA AS A TOURISM ZONE DOES NOT  
2 PRECLUDE THE AREA FROM ALSO BEING DESIGNATED AS AN ARTS AND  
3 ENTERTAINMENT DISTRICT UNDER TITLE 4, SUBTITLE 7 OF THE ECONOMIC  
4 DEVELOPMENT ARTICLE.

5 18-403.

6 (A) IN A TOURISM ZONE:

7 (1) THE EXEMPTION FROM THE ADMISSIONS AND AMUSEMENT TAX  
8 UNDER § 4-104(G) OF THE TAX – GENERAL ARTICLE APPLIES TO QUALIFYING  
9 TOURISM ENTERPRISES; AND

10 (2) THE PROPERTY TAX CREDITS UNDER §§ 9-268 AND 9-269 OF THE  
11 TAX – PROPERTY ARTICLE APPLY.

12 (B) ON OR BEFORE JULY 1 PRECEDING THE EFFECTIVE DATE OF ITS  
13 ESTABLISHMENT, THE POLITICAL JURISDICTION SHALL NOTIFY THE COMPTROLLER  
14 THAT A TOURISM DISTRICT IS ESTABLISHED.

15 (C) A POLITICAL SUBDIVISION THAT ESTABLISHES A TOURISM ZONE SHALL  
16 NOTIFY THE COMPTROLLER OF:

17 (1) ANY QUALIFYING TOURISM ENTERPRISES TO WHICH THE  
18 EXEMPTION FROM THE ADMISSIONS AND AMUSEMENT TAX UNDER § 4-104(G) OF  
19 THE TAX – GENERAL ARTICLE APPLIES;

20 (2) THE DATE ON WHICH THE QUALIFYING TOURISM ENTERPRISE  
21 QUALIFIED FOR THE EXEMPTION; AND

22 (3) THE DATE, IF ANY, ON WHICH THE EXEMPTION FOR THE  
23 QUALIFYING TOURISM ENTERPRISE EXPIRES.

24 Article – Tax – General

25 4-104.

26 (G) (1) IN THIS SUBSECTION, “QUALIFYING TOURISM ENTERPRISE” AND  
27 “TOURISM ZONE” HAVE THE MEANINGS STATED IN § 18-401 OF THE LOCAL  
28 GOVERNMENT ARTICLE.

29 (2) (I) ~~A~~ SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A  
30 COUNTY OR A MUNICIPAL CORPORATION MAY EXEMPT FROM THE ADMISSIONS AND

1 AMUSEMENT TAX GROSS RECEIPTS FROM ANY ADMISSIONS OR AMUSEMENT CHARGE  
2 LEVIED BY A QUALIFYING TOURISM ENTERPRISE IN A TOURISM ZONE.

3 (II) THE EXEMPTION AUTHORIZED UNDER SUBPARAGRAPH (I)  
4 OF THIS PARAGRAPH DOES NOT APPLY TO THE STATE ADMISSIONS AND AMUSEMENT  
5 TAX IMPOSED UNDER § 4-102(D) AND (E) OF THIS SUBTITLE.

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
7 as follows:

8 **Article – Tax – Property**

9 **9-268.**

10 (A) IN THIS SECTION, “QUALIFYING TOURISM ENTERPRISE” AND “TOURISM  
11 ZONE” HAVE THE MEANINGS STATED IN § 18-401 OF THE LOCAL GOVERNMENT  
12 ARTICLE.

13 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
14 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW,  
15 A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION  
16 PROPERTY TAX IMPOSED ON A BUILDING THAT:

17 (1) IS LOCATED IN A TOURISM ZONE; AND

18 (2) IS OWNED BY A QUALIFYING TOURISM ENTERPRISE.

19 (C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
20 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE, BY  
21 LAW, FOR:

22 (1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS  
23 SECTION;

24 (2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER  
25 THIS SECTION;

26 (3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND  
27 UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

28 (4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX  
29 CREDIT UNDER THIS SECTION.

30 **9-269.**

1 (A) IN THIS SECTION, “QUALIFYING TOURISM ENTERPRISE” AND “TOURISM  
2 ZONE” HAVE THE MEANINGS STATED IN § 18-401 OF THE LOCAL GOVERNMENT  
3 ARTICLE.

4 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
5 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW,  
6 A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION  
7 PROPERTY TAX IMPOSED ON PERSONAL PROPERTY OF A QUALIFYING TOURISM  
8 ENTERPRISE THAT IS LOCATED WITHIN A TOURISM ZONE.

9 (C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
10 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE, BY  
11 LAW, FOR:

12 (1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS  
13 SECTION;

14 (2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER  
15 THIS SECTION;

16 (3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND  
17 UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

18 (4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX  
19 CREDIT UNDER THIS SECTION.

20 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be  
21 applicable to all taxable years beginning after June 30, 2024.

22 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
23 1, 2024.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.