

SENATE BILL 14

C8, Q1, Q7

(PRE-FILED)

4r1266
CF 4r2216

By: **Senator Jackson**

Requested: October 30, 2023

Introduced and read first time: January 10, 2024

Assigned to: Budget and Taxation

A BILL ENTITLED

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 municipality to designate, by law, an area within that political
5 subdivision as a tourism zone under certain circumstances; providing that the
6 designation of an area as a tourism zone may not preclude the area from also being
7 designated as a certain arts and entertainment district; authorizing Baltimore City
8 or a 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 municipality
11 to grant, by law, a property tax credit against the county or municipal property tax
12 imposed on certain real property and certain personal property located within a
13 tourism zone; and generally relating to the designation of tourism zones within
14 Baltimore City 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

22 Article – Tax – General

23 Section 4–104(g)

24 Annotated Code of Maryland

25 (2022 Replacement Volume and 2023 Supplement)

26 BY adding to

27 Article – Tax – Property

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9–268 and 9–269
2 Annotated Code of Maryland
3 (2019 Replacement Volume and 2023 Supplement)

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

6 **Article – Local Government**

7 **SUBTITLE 4. TOURISM ZONES.**

8 **18–401.**

9 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
10 INDICATED.

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

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

18 **18–402.**

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

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

24 (1) THE DURATION OF THE DESIGNATION; AND

25 (2) ELIGIBILITY CRITERIA TO QUALIFY AS A QUALIFYING TOURISM
26 ENTERPRISE.

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

1 18-403.

2 (A) IN A TOURISM ZONE:

3 (1) THE EXEMPTION FROM THE ADMISSIONS AND AMUSEMENT TAX
4 UNDER § 4-104(G) OF THE TAX – GENERAL ARTICLE APPLIES; AND

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

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

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

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

15 (2) THE DATE ON WHICH THE QUALIFYING TOURISM ENTERPRISE
16 QUALIFIED FOR THE EXEMPTION.

17 Article – Tax – General

18 4-104.

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

22 (2) BALTIMORE CITY OR A MUNICIPAL CORPORATION MAY EXEMPT
23 FROM THE ADMISSIONS AND AMUSEMENT TAX GROSS RECEIPTS FROM ANY
24 ADMISSIONS OR AMUSEMENT CHARGE LEVIED BY A QUALIFYING TOURISM
25 ENTERPRISE IN A TOURISM ZONE.

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

28 Article – Tax – Property

29 9-268.

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 MUNICIPAL CORPORATION MAY GRANT, BY LAW, A
6 PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION
7 PROPERTY TAX IMPOSED ON A BUILDING THAT:

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

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

10 (C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
11 GOVERNING BODY OF A MUNICIPAL CORPORATION MAY PROVIDE, BY 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 **9-269.**

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

24 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
25 GOVERNING BODY OF A MUNICIPAL CORPORATION MAY GRANT, BY LAW, A
26 PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION
27 PROPERTY TAX IMPOSED ON PERSONAL PROPERTY OF A QUALIFYING TOURISM
28 ENTERPRISE THAT IS LOCATED WITHIN A TOURISM ZONE.

29 (C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
30 GOVERNING BODY OF A MUNICIPAL CORPORATION MAY PROVIDE, BY LAW, FOR:

1 **(1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS**
2 **SECTION;**

3 **(2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER**
4 **THIS SECTION;**

5 **(3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND**
6 **UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND**

7 **(4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX**
8 **CREDIT UNDER THIS SECTION.**

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

11 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June
12 1, 2024.