

SENATE BILL 321

Q1, Q2

(4lr1735)

ENROLLED BILL

— Budget and Taxation / Ways and Means —

Introduced by **Senator Jackson**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Property Tax – Credit for Hotel or Residential Development Projects**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the
4 governing body of a county or municipal corporation to grant, by law, a tax credit
5 against the county or municipal corporation property tax imposed on real property
6 that is used for certain hotel or residential development projects; altering eligibility
7 for a certain property tax credit in Wicomico County against the county or municipal
8 corporation property tax imposed on real property that is used for certain hotel or
9 residential development projects; and generally relating to property tax credits for
10 hotel or residential development.

11 BY adding to
12 Article – Tax – Property
13 Section 9–268
14 Annotated Code of Maryland

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.

Italics indicate opposite chamber / conference committee amendments.



(2019 Replacement Volume and 2023 Supplement)

BY repealing

Article – Tax – Property

Section 9–324(d)

Annotated Code of Maryland

(2019 Replacement Volume and 2023 Supplement)

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

Article – Tax – Property

9–268.

(A) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON REAL PROPERTY THAT IS USED FOR A HOTEL OR RESIDENTIAL DEVELOPMENT PROJECT THAT:

~~(1)~~ IS NEWLY CONSTRUCTED OR INVOLVES SUBSTANTIAL REHABILITATION OR REVITALIZATION OF EXISTING STRUCTURES;

~~(B)~~ ~~(2)~~ TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, A HOTEL SHALL SUBSTANTIALLY INCREASES INCREASE THE ASSESSED VALUE OF THE PROPERTY; ~~AND,~~

~~(3)~~ ~~IF MORE THAN~~

~~(C)~~ TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, A RESIDENTIAL DEVELOPMENT PROJECT SHALL:

~~(1)~~ INCLUDE AT LEAST 20 RESIDENTIAL UNITS ARE PART OF THE DEVELOPMENT, INCLUDES; AND

~~(2)~~ HAVE AT LEAST 15% OF ALL RESIDENTIAL UNITS WITHIN THE DEVELOPMENT THAT ARE AFFORDABLE TO HOUSEHOLDS EARNING LESS THAN 80% OF THE AREA MEDIAN INCOME.

~~(B)~~ (D) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR 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) ELIGIBILITY REQUIREMENTS FOR THE TAX CREDIT;**
- 4 **(3) APPLICATION PROCEDURES FOR THE TAX CREDIT; AND**
- 5 **(4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THIS SECTION.**
- 6 9–324.

7 [(d) (1) The governing body of Wicomico County or the governing body of a
8 municipal corporation in Wicomico County may grant, by law, a property tax credit against
9 the county or municipal corporation property tax imposed on real property that is used for
10 a hotel or residential development project that:

11 (i) is newly constructed or involves substantial rehabilitation or
12 revitalization of existing structures; and

13 (ii) substantially increases the assessed value of the property.

14 (2) The governing body of Wicomico County or of a municipal corporation
15 in Wicomico County may provide, by law, for:

16 (i) the amount and duration of the tax credit under this subsection;

17 (ii) eligibility requirements for the tax credit;

18 (iii) application procedures for the tax credit; and

19 (iv) any other provision necessary to carry out this subsection.]

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
21 apply only prospectively to property tax credits issued for hotel or residential development
22 projects that begin on or after the effective date of this Act and may not be applied or
23 interpreted to have any effect on or application to any county or municipal corporation
24 property tax credits issued in accordance with § 9–324(d) of the Tax – Property Article, as
25 enacted by Chapters 715 and 716 of the Acts of 2021, for hotel or residential development
26 projects in Wicomico County that began on or after July 1, 2021, but before the effective
27 date of this Act.

28 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
29 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.