SB0427/273621/1

BY: Senator Guzzone

AMENDMENTS TO SENATE BILL 427, AS AMENDED

AMENDMENT NO. 1

On page 2 of the Budget and Taxation Committee Amendments (SB0427/973829/01), in line 12 of Amendment No. 1, after "Section" insert "9–103(a)(1) and (6) and (b)(1) and"; in line 17, after "Section" insert "9–103(d)(2) and (5) and (e)(1),"; and in the same line, strike the third "and" and insert a comma.

AMENDMENT NO. 2

On page 9 of the Budget and Taxation Committee Amendments, after line 13 of Amendment No. 2, insert:

"9–103.

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

(6) (i) "Qualified property" means real property that is:

1. not used for residential purposes;

2. used in a trade or business by a business entity that meets the requirements of § 5–707 of the Economic Development Article; and

3. located in an enterprise zone that is designated under Title 5, Subtitle 7 of the Economic Development Article.

(ii) "Qualified property" includes personal property on real property that is located in a focus area as defined in § 5–701 of the Economic Development Article.

(b) (1) The governing body of a county or of a municipal corporation shall grant a tax credit under this section against the property tax imposed on the eligible assessment of qualified property.

(d) (2) For newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after **[**January 1, 2019**]** **JULY 1, 2018**, but before January 1, 2022, the appropriate governing body shall calculate the amount of the tax credit under this section equal to a percentage of the amount of property tax imposed on the eligible assessment of the qualified property as follows:

(i) 80% in each of the 1st 8 taxable years following the calendar year in which the property initially becomes a qualified property;

(ii) 70% in the 9th taxable year;

(iii) 60% in the 10th taxable year;

(iv) 50% in the 11th taxable year;

(v) 40% in the 12th taxable year; and

(vi) 30% in the 13th taxable year.

(5) For qualified property located in a focus area, the appropriate governing body shall calculate the amount of the tax credit under this section equal to 80% of the amount of property tax imposed on the eligible assessment of the qualified property:

(i) for newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after **[**January 1, 2019**]** **JULY 1, 2018**, but before January 1, 2022, for each of the 13 taxable years following the calendar year in which the property initially becomes a qualified property; or

(ii) for any other qualified property, for each of the 10 taxable years following the calendar year in which the property initially becomes a qualified property.

(e) (1) A tax credit under this section is available to a qualified property for no more than 10 consecutive years or, in the case of newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after **[**January 1, 2019**]** **JULY 1, 2018**, but before January 1, 2022, no more than 13 consecutive years, beginning with:

(i) the taxable year following the calendar year in which the real property initially becomes a qualified property; or

(ii) the taxable year in which the real property initially becomes a qualified property, subject to the approval of the appropriate local governing body and the Secretary of Commerce.”.