

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 1042 (Senator Benson)
Budget and Taxation

Prince George's County - Property Tax Credit for Grocery Stores - Alterations

This bill alters an optional property tax credit for personal property owned by a grocery store in Prince George's County that is located in a healthy food priority area by requiring that the county government enact the property tax credit. Under current law, the county government is only authorized, not required, to enact the property tax credit. **The bill takes effect June 1, 2025, and applies to taxable years beginning after June 30, 2025.**

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues are not affected since the county government has already enacted the property tax credit. County expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: Chapter 158 of 2019 authorized Prince George's County to grant a property tax credit for personal property owned by a grocery store that completes eligible construction and is located in a healthy food priority area. Prince George's County must designate what constitutes a healthy food priority area for purposes of the tax credit, based on specified factors. The property tax credit for a taxable year may not exceed the amount of property tax imposed on the personal property of a grocery store in that year.

Prince George’s County may establish limits on the cumulative amount of property tax credits granted, additional limitations on the amount of the tax credit, additional eligibility requirements for grocery stores to qualify for the tax credit, additional criteria for what constitutes eligible construction that may qualify a grocery store for the tax credit, and any other provisions necessary. Prince George’s County enacted the tax credit in November 2023; however, no tax credits have been issued to date.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Prince George’s County; State Department of Assessments and Taxation; Department of Legislative Services

Fiscal Note History: First Reader - April 1, 2025
km/hlb

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