



Bill No: HB 540-- State Income and Property Tax Credits – Purple Line Construction Zone

Committee: Ways & Means

Date: 2/20/2020

Position: Support

The Apartment and Office Building Association of Metropolitan Washington (AOBA) supports HB 540. AOBA's members own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's counties.

This bill would provide a state income tax credit and state property tax credit for a qualified business that incurs a loss of business income resulting from construction of the Purple Line. Maryland Department of Transportation and the State Comptroller would determine qualifying businesses and the amount of credits.

AOBA recognizes the need for the Purple Line and supports the project. However, we have members with properties near the line that are likely to be negatively impacted by construction of the project over the next several years. As streets are blocked, parking and pedestrian traffic disrupted, potential tenants will look elsewhere for their rental housing and office space. To the extent that impacted businesses can document a loss of business income due to construction, they should be allowed to mitigate losses caused by the state through state tax credits.

For these reasons AOBA urges a favorable report on HB 540.

For further information contact Erin Bradley, AOBA Vice President of Government Affairs, at 301-261-1460 or erbradley@aoba-metro.org.