



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: House Bill 540 – State Income and Property Tax Credits – Purple Line Construction Zone

SPONSOR: Delegate Wilkins, *et al.*

HEARING DATE: February 20, 2020

COMMITTEE: Ways and Means

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS House Bill 540**, which allows businesses that have lost income during construction of the Purple Line light rail project, to recoup this lost income by claiming a credit against the State income tax. If the income loss is greater than the amount of taxes owed, then the business can claim a refund for the difference.

Construction of the Purple Line light rail project began in 2019 and is expected to continue until the line opens in early 2023. This represents nearly four years of disruptions to existing businesses located near the Line that are impacted by construction. Lost parking and detours make it difficult for customers to find businesses, and the loss of pedestrian foot traffic has resulted in a loss of income for many small businesses.

House Bill 540 is vital to ensuring that small businesses remain open until construction is completed. Without this assistance, many long-term businesses could close, jobs would be lost, and many lives will be disrupted.

For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS House Bill 540** and asks for a **FAVORABLE** report.