

SB887_SenElfreth_FAV.pdf

Uploaded by: Elfreth, Sarah

Position: FAV

SENATOR SARAH ELFRETH
Legislative District 30
Anne Arundel County

Budget and Taxation Committee

Subcommittees

Education, Business and Administration

Chair, Pensions

Senate Chair

Joint Committee on Administrative,
Executive, and Legislative Review

Joint Committee on the Chesapeake and
Atlantic Coastal Bays Critical Area



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 3, 2021

Testimony in Favor of SB887
Property Tax Credit - Business Entities - State of Emergency

Chairman Guzzone, Vice-Chair Rosapepe, and fellow members of the Budget and Taxation Committee,

I respectfully request a favorable report of Senate Bill 887 to enable our localities to grant a property tax credit for real or personal property to a business that is affected by a State of Emergency.

Members of this Committee are well aware of the challenges that our small businesses have experienced throughout the course of the COVID-19 pandemic. Local, State, and federal governments have responded, implementing programs and strategies to support our small businesses during this public health crisis.

That being said, any tool that could be of benefit in this endeavor should not be left on the table -- and SB887 will ensure that our localities have the ability and flexibility to enact a property tax credit to support our vital business community.

This bill authorizes county and municipal governments to grant a property tax credit for real or personal property owned or leased by a business entity affected by a declared state of emergency. County and municipal governments may determine the amount and duration of the property tax credit, eligibility criteria for the property tax credit, regulations and procedures for the application and processing of requests, as well as whatever else may be necessary to carry out the property tax credit.

This is enabling legislation, and no local government is required to participate. But for those for whom this authority is wanted, this bill will authorize them to do so.

Once again I respectfully request a favorable report of Senate Bill 887 to ensure that our localities have an additional tool in mitigating the economic effects of the COVID-19 pandemic.

Sincerely,

A handwritten signature in black ink that reads "Sarah Elfreth".

Sarah Elfreth

SB 887_FAV_MML.pdf

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Position: FAV



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

March 3, 2021

Committee: Senate Budget and Taxation

Bill: SB 887 – Property Tax Credit – Business Entities – State of Emergency

Position: Support

Reason for Position:

The Maryland Municipal League supports SB 887, which would authorize a local government to provide a tax credit against real or personal property tax that is owned or leased by a business and was affected by a Maryland State of Emergency declaration.

Maryland's cities and towns greatly appreciate the authorization and discretion afforded by this bill. We believe it expands the toolbox needed to jumpstart local economies in the aftermath of the coronavirus pandemic.

For these reasons, The League respectfully requests a favorable report on SB 887.

FOR MORE INFORMATION CONTACT:

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Justin Fiore

Executive Director
Director, Government Relations
Director, Research & Policy Analysis
Manager, Government Relations

SB0887 - 03.03.21 --Property Tax Credit Business

Uploaded by: Fry, Donald

Position: FAV



TESTIMONY PRESENTED TO THE SENATE BUDGET AND TAXATION COMMITTEE

**SENATE BILL 887 - PROPERTY TAX CREDIT –
BUSINESS ENTITIES – STATE OF EMERGENCY
Sponsor – Senators Elfreth and Simonaire**

March 3, 2021

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports Senate Bill 887 which would authorize local governments to grant a property tax credit against that jurisdiction's property tax imposed on real or personal property that was owned or leased by a business entity during a state of emergency. The local government would be authorized to design the program by determining the amount and duration of the credit, any eligibility criteria for the credit, and any regulations and procedures necessary to implement the program.

The COVID-19 pandemic has put unprecedented economic pressure on businesses throughout Maryland, especially small and minority businesses that often lack the resources for capital to sustain a significant loss in revenue for an extended period.

Allowing local governments to grant a property tax credit to struggling businesses gives those local governments another method to provide support to local businesses. Such a tax credit would result in much needed relief to business owners who are attempting to weather the pandemic and be positioned to recover once it has been contained.

This bill is consistent with the GBC's *2021 Legislative Priorities* which advocate for inclusive policies and programs that strengthen economic competitiveness and job creation. The bill is also consistent with the Greater Baltimore Committee's report, *Gaining a Competitive Edge: Keys to Economic Growth and Job Creation*, that calls for government leadership to unite with business as a partner. Enabling local governments to grant this tax credit is a way for government to support local businesses during these challenging economic times.

For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 887.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

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SB0887-BT_MACo_SUP.pdf

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Senate Bill 887

Property Tax Credit - Business Entities - State of Emergency

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 3, 2021

From: Michael Sanderson and Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 887. The bill authorizes local governments to grant optional property tax credits to businesses affected by a state of emergency.

The swift and unprecedented shock of the COVID-19 public health crisis has wreaked havoc on the economy. As the focus shifts to restoring our state and local economies in a manner that is safe, equitable, and prosperous for all, counties are eager and committed partners in promoting economic growth and creating opportunity. MACo prefers the approach offered by SB 887 as it provides local autonomy to determine the best way to provide these incentives, rather than those that mandate reductions in local revenue sources.

SB 887 authorizes counties to enact the property tax credit and to provide, by law, for the duration of the credit, the maximum assessed value of a dwelling that is eligible for the credit, and, if necessary, any additional eligibility criteria. This will allow each jurisdiction that chooses to enact the credit to tailor it to their specific community needs. Additionally, it gives each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits enabled by the bill.

SB 887 ensures local governments have flexibility in enacting local policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for SB 887.

SB887 - MoCo Chamber - Property Tax Credit – Busin

Uploaded by: Swanson, Tricia

Position: FAV



To Lead, Advocate and Connect as the Voice of Business

Senate Bill 887 - Property Tax Credit – Business Entities – State of Emergency

Budget and Tax Committee

March 3, 2021

SUPPORT

The Montgomery County Chamber of Commerce (MCCC), as the voice of Montgomery County business, supports Senate Bill 887. This bill authorizes county and municipal governments to grant a property tax credit for real or personal property owned or leased by a business entity affected by a specified declared state of emergency. County and municipal governments may provide, by law, for the amount and duration of the property tax credit; additional eligibility criteria for the property tax credit; regulations and procedures for the application and uniform processing of requests for the property tax credit; and any other provision necessary to carry out the property tax credit.

Over the last 7 months, the Montgomery County Chamber of Commerce (MCCC) has been advocating at the local, state, and federal level on behalf of our members. MCCC has also hosted webinars on best practices in this new COVID-19 world. And through these webinars, and in advocating for our members, what we are hearing is essential to a business' survival is the infusion of cash AND the ability for a business to hold onto their reserves.

This legislation would allow our businesses to claim a tax credit for their real or personal property tax. Any additional relief so these key small businesses can survive the public health emergency and continue to employ our neighbors and grow our economy is essential. For the aforementioned reasons, **the Chamber supports Senate Bill 887 and respectfully urges a favorable report.**

The Montgomery County Chamber of Commerce (MCCC) accelerates the success of our nearly 500 members by advocating for increased business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and is proud to be a Montgomery County Green Certified Business.