

HB0161_Property_Tax_Credit_Retail_Service_Station_

Uploaded by: Cecilia Plante

Position: FAV



**TESTIMONY FOR HB161
PROPERTY TAX CREDIT – RETAIL SERVICE STATION
CONVERSIONS**

Bill Sponsor: Delegate Ruth

Committee: Budget and Tax

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of HB0161 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Over the next decade, we will have to ensure that many more retail service stations close as we make our transition to clean energy and stop using fossil fuels to power our vehicles. Because it is so hard to convert a service station from its original use, due to the required remediation of the storage tanks below-ground, many service stations just remain abandoned as an eyesore for the communities they are located in, and preventing them from being converted to other uses.

This bill would allow local jurisdictions to enact a property tax credit that would be used to remediate the hazards below-ground at service stations so they could be converted to other uses. It provides a 50% match by the state to offset the property tax, so the impact to the local jurisdiction is reduced.

This will help make the transition away from using gas to power our vehicles easier and will help reduce the number of abandoned gas stations across the state, and allow those properties to be utilized more productively.

We support this bill and recommend a **FAVORABLE** report in committee.

HB0161-BT_MACo_SUP.pdf

Uploaded by: Kevin Kinnally

Position: FAV



House Bill 161

Property Tax Credit - Retail Service Station Conversions

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 31, 2026

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 161. This bill authorizes local governments to enact a property tax credit for specified converted retail service stations. The bill also authorizes the State to reimburse local governments for half of the foregone property tax revenue resulting from enacting the credit.

MACo generally supports legislation that provides broad local authority to enact tax incentives for revitalization and tax relief and welcomes the opportunity to work with state policymakers to develop flexible, optional tools that allow counties to address local needs. Counties favor the approach offered by HB 161 because it preserves local discretion to determine whether and how to offer tax incentives, rather than mandating reductions in local revenue sources.

Former retail service stations often face significant redevelopment barriers due to environmental remediation requirements, including the removal of underground storage tanks and cleanup of associated contamination. These added costs discourage reinvestment and limit reuse opportunities. HB 161 addresses these challenges by giving counties a flexible option to incentivize redevelopment for retail, residential, or mixed-use purposes.

The bill authorizes local governments to grant a property tax credit against the county or municipal property tax when a property converts from a retail service station to another retail use, a residential use, or a mixed retail and residential use, as specified.

In addition, the bill properly provides local governments with flexibility in determining the duration of the credit, the maximum assessed value of a dwelling eligible for the credit, and, if necessary, any additional eligibility criteria. This authority allows each jurisdiction that enacts the credit to tailor its provisions to community needs while offering broad discretion to determine the extent of revenue foregone to achieve the bill's intended benefits.

HB 161 preserves local authority and provides counties with a practical tool to support redevelopment where market barriers remain high. For these reasons, MACo urges the Committee to issue a **FAVORABLE** report for HB 161.

MBIA letter of Support HB161.pdf

Uploaded by: Lori Graf

Position: FAV

January 20, 2026

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: MBIA Letter of Support – HB161 - Property Tax Credit - Retail Service Station Conversions

Dear Chairman Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding HB161 - Property Tax Credit - Retail Service Station Conversions. MBIA supports the bill in its current version.

The proposed legislation would seek to Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation to grant, by law, a credit against the county or municipal corporation property tax on real property if use of the real property has been converted from a retail service station to other certain uses.

HB161 is crucial for fostering positive economic development and adaptive for reuse of properties around the state of Maryland. The conversion of retail service stations to alternative uses, such as retail or residential is often a complex and expensive process. This legislation highlights the challenges faced by property owners who are seeking to repurpose these properties.

The legislation allows flexibility in the tax credit, tailoring it to each community's needs. The provision allowing for a state or reimbursement of 50 percent to counties and municipalities shows a commitment to supporting local jurisdictions in efforts to promote smart growth and redevelopment.

For these reasons, MBIA respectfully requests the Committee this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Ways and Means Committee

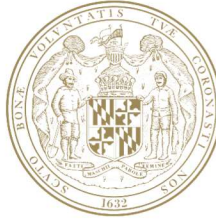
HB 161 senate letter of support.pdf

Uploaded by: Natalie Ziegler

Position: FAV

JEFFERSON L. GHRIST
Co-CHAIR

NATALIE ZIEGLER
Co-CHAIR



H. KEVIN ANDERSON
TERRY BAKER
KEVIN B. HORNBERGER
ANDRE V. JOHNSON, JR.
STEVE JOHNSON
SHEREE SAMPLE-HUGHES

THE MARYLAND HOUSE OF DELEGATES
HOUSE RURAL CAUCUS

March 31, 2026

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

Chair Guzzone, Vice Chair Rosapepe, and Honorable Members of the Senate Budget and Taxation Committee:

On behalf of the Rural Caucus, we are writing to express our support **for HB 161 Property Tax Credit - Retail Service Station Conversions.**

As advocates for rural Main Streets, rural economies, and the rural small business community, we believe encouraging the redevelopment of former service stations can have a profound impact for Rural Maryland. Often these service stations can be found derelict in the heart of rural towns, serving as an eyesore in the community and impediment to the local economy. Repurposing them for a retail or residential purpose can spark economic growth and meaningfully improve quality-of-life in rural municipalities.

For these reasons, the Rural Caucus supports HB 161 and requests a favorable report.
Thank you,

A handwritten signature in black ink, appearing to read "Jefferson L. Ghrist".

Delegate Jefferson L. Ghrist
Co-Chair

A handwritten signature in black ink, appearing to read "Natalie Ziegler".

Delegate Natalie Ziegler
Co-Chair

HB0161 crossover FAV - Property Tax Credit - Retail

Uploaded by: Richard KAP Kaplowitz

Position: FAV

HB0161_Crossover_Bill_Richard
Kaplowitz_FAV

03/31/2026

Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON CROSSOVER BILL HB#0161- POSITION:
FAVORABLE

Property Tax Credit - Retail Service Station Conversions

TO: Chair Guzzone, Vice Chair Rosapepe, and members of the Budget and Taxation Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of crossover bill HB#0161, **Property Tax Credit - Retail Service Station Conversions**

I submitted testimony on this bill and the cross-filed bill SB0058 and urge the committee to reconcile the bills passed in both chambers and proceed to final passage and transfer for governor's signature a consolidated bill.

I respectfully urge this committee to return a favorable report on HB#0161.

HB0161_26322401.pdf

Uploaded by: Sheila Ruth

Position: FAV

HB0161/263224/1

BY: Ways and Means Committee

AMENDMENTS TO HOUSE BILL 161

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “**and Ziegler**” and substitute “**Ziegler, Coley, Ebersole, Vogel, and Young**”; and strike beginning with “authorizing” in line 7 down through “corporation;” in line 9.

AMENDMENT NO. 2

On page 2, strike beginning with “AS” in line 7 down through “FACILITY” in line 8 and substitute “**BY:**

(I) A DISCOUNT STORE;

(II) A SELF-SERVICE STORAGE FACILITY;

(III) A LICENSED RETAILER OF CIGARETTES UNDER TITLE 16 OF THE BUSINESS REGULATION ARTICLE;

(IV) A LICENSED OTHER TOBACCO PRODUCTS RETAILER OR TOBACCONIST, AS DEFINED IN § 16.5-101 OF THE BUSINESS REGULATION ARTICLE;

(V) AN ELECTRONIC SMOKING DEVICES RETAILER OR A VAPE SHOP VENDOR, AS DEFINED IN § 16.7-101 OF THE BUSINESS REGULATION ARTICLE; OR

(VI) A HOLDER OF A CLASS A RETAIL ALCOHOLIC BEVERAGES LICENSE UNDER DIVISION II OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE”;

after line 20, insert:

“(D) THE TAX CREDIT UNDER THIS SECTION MAY NOT BE GRANTED FOR REAL PROPERTY UNLESS UNDERGROUND STORAGE TANKS LOCATED ON OR FORMERLY LOCATED ON THE REAL PROPERTY HAVE BEEN PERMANENTLY CLOSED IN ACCORDANCE WITH REGULATIONS OF THE DEPARTMENT OF THE ENVIRONMENT.”;

and in line 21, strike “(D)” and substitute “(E)”.

On pages 2 and 3, strike in their entirety the lines beginning with line 31 on page 2 through line 2 on page 3, inclusive.

HB161 - Ruth - Sponsor Testimony - FAV.pdf

Uploaded by: Sheila Ruth

Position: FAV

SHEILA RUTH
Legislative District 44B
Baltimore County

Government, Labor, and
Elections Committee
Chair, Labor Subcommittee



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

SPONSOR TESTIMONY IN SUPPORT OF HB161
(PROPERTY TAX CREDIT - RETAIL SERVICE STATION CONVERSIONS)

Delegate Sheila Ruth
March 31, 2026

It is more than likely that you have seen the many abandoned retail service or gas stations that dot the landscape - buildings that are not only visually unappealing but providing no benefits for the communities they are left in, while also decreasing property values.



Due to the high cost of the environmental remediation to transition the land to other uses, owners of smaller stations or potential purchasers who might otherwise be interested in converting the property to a better use can be discouraged from doing so. In this case, these properties are often allowed to sit abandoned, creating blight in the community and a potential public safety hazard. Since additional

environmental remediation may be needed to use the land for anything besides another service station, property owners would benefit from financial help to convert these abandoned gas stations into land uses that will benefit their communities.

HB161 would authorize counties, Baltimore City, and municipalities to grant a property tax credit to these gas station property owners in order to help cover costs associated with the removal of underground storage tanks and remediation of any remaining contamination associated with the tanks. It is enabling legislation that would allow the local jurisdiction flexibility to determine the details and requirements of any credit program. The property would then be able to be converted to land uses that provide social and economic benefits to the surrounding community.

This bill is the crossfile of SB58, which was passed unanimously by this committee and the full Senate. The Ways and Means committee added the following two amendments:

- The bill as introduced stipulates that conversions to dollar stores and self-storage facilities would be ineligible for the tax credit. The Ways and Means amendment adds smoke shops and liquor stores to the uses ineligible for the tax credit.
- The Ways and Means committee was also concerned about businesses using the tax credit to pay for work they are already legally obligated to do to close or remove underground storage tanks. Under current regulations, businesses must remove and remediate, or in some limited circumstances, close in place. The Maryland Department of the Environment (MDE) must then inspect the closure and issue a letter of compliance. MDE advises that although the site may be in compliance, additional remediation may be needed for some land uses. It's this situation where the tax credit would be most useful. The Ways and Means amendment specifies that the tax credit may not be granted unless the underground storage tanks on the site were permanently closed according to MDE regulations.

I hope that the Budget and Taxation committee will consider these friendly amendments, and that the House and Senate versions can be kept synchronized.

This bill would benefit and protect small business owners, local communities, and our economy as we shift away from gas-powered vehicles. Aside from the new popularity of electric vehicles, many people are driving more fuel efficient cars, and the sales of gasoline are already trending downwards while prices rise. As the market demand for gasoline continues to decrease over the years, local gas station owners need to be prepared. The state and the local jurisdictions have an interest in ensuring that properties which are no longer economically viable as gas stations are redeveloped in ways that will benefit the communities they inhabit. Thus I respectfully ask for a favorable report on HB161 with the Ways and Means amendments.