

ENROLLED

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2024 Legislative Session

Legislative Day No. 23

Legislative Bill 2024-10

Introduced: October 15, 2024

Introduced by: The Council President at the request of the County Executive

AN ACT TO AMEND CHAPTER 90 OF THE WICOMICO COUNTY CODE, TITLED “TAX EXEMPTIONS,” BY REPEALING IN ITS ENTIRETY SECTION 90-7, TITLED “HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT.”

WHEREAS, in 2021, the Wicomico County Council passed Legislative Bill 2021-02 establishing, within Section 90-7 of the Code of Wicomico County, Maryland, a property tax credit for hotel or multifamily residential developments located within an enumerated section of the County with an increased assessed value of the real property, due to construction or renovation, of more than \$10 million dollars; and

WHEREAS, the anticipated outcome of the tax credit incentive has not been realized.

Section I. BE IT ENACTED AND ORDAINED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND, IN LEGISLATIVE SESSION, that Chapter 90 of the Wicomico County Code, Titled “Tax Exemptions,” Section 90-7, Titled “Hotel Or Multifamily Residential Development Property Tax Credit.” is hereby repealed in its entirety.

Chapter 90

Tax Exemptions

~~§ 90-7. Hotel or multifamily residential development property tax credit.~~ RESERVED.

~~{Added 8-17-2021 by Bill No. 2021-02}~~

~~A. Establishment. The Wicomico County hotel or multifamily residential development property tax credit is hereby established.~~

~~B. Boundaries. The boundaries of the Wicomico County Hotel or Multifamily Residential Development District are shown on a map that is on file in the office of the County Council and the Finance Department, and a copy of the map is attached and made a part of this legislation as Exhibit A.[1]~~

~~[1] Editor's Note: Exhibit A is on file in the County offices as noted.~~

~~C. Credit granted.~~

~~(1) In accordance with Maryland Annotated Code, Tax Property Article, § 9-324, a real property tax credit is granted against the County real property tax imposed on a hotel or multifamily residential development that:~~

~~(a) Is located in the Wicomico County Hotel and Multifamily Residential Development District described in Subsection B above; and~~

~~(b) Upon completion, each eligible phase of hotel or multifamily residential development increases the assessed value of the real property by at least \$10,000,000 above the assessment before construction or renovation.~~

~~(c) Is to be constructed or renovated after the effective date of this article; and~~

~~(d) "Hotel" has the meaning set forth in § 225-25 of the County Code; and~~

~~(e) "Residence" has the meaning set forth in § 225-25 of the County Code.~~

~~(f) "Multifamily" has the meaning set forth in § 225-25 of the County Code.~~

~~D. Amount of credit. The amount of the County property tax credit shall be calculated on the increased assessment of the eligible property above the assessment before construction or renovation as follows:~~

~~(1) Tax year one through tax year five: 80% of the increased property tax;~~

~~(2) Tax year six: 70% of the increased property tax;~~

~~(3) Tax year seven: 60% of the increased property tax;~~

~~(4) Tax year eight: 50% of the increased property tax;~~

~~(5) Tax year nine: 40% of the increased property tax; and~~

~~(6) Tax year ten: 30% of the increased property tax.~~

~~E. Duration. The County property tax credit shall be available for a period not to exceed 10 consecutive tax years. The first tax year the tax credit shall become available for an eligible building shall be the first year in which a building's property taxes would increase due to construction or renovation.~~

~~F. Property tax credit transferability. The property tax credit granted by this section may be transferred to a purchaser of the property for the remaining term of the property tax credit.~~

~~G. Applications.~~

~~(1) A property owner must apply for a property tax credit under this section by submitting an application to the Wicomico County Finance Department within 90 days of receipt of an assessment notice reflecting the renovations or construction improvements.~~

~~(2) After review by the Finance Department, the application shall be submitted for approval by the County Executive and the County Council by resolution.~~

~~(3) Renovations or construction improvements made before July 1, 2021, do not qualify for a property tax credit under this section.~~

~~H. Renewal or reevaluation. The hotel or multifamily residential development property tax credit shall be reevaluated by the County Council and Executive every three years, and the County Council and Executive may approve modifications, suspension or termination of the tax credit program at any time by resolution of the County Council. Any approved tax credit shall not be affected by modification, suspension or termination of the tax credit program.~~

SECTION II: BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND, IN LEGISLATIVE SESSION THAT this bill shall be known as Legislative Bill No. 2024-10 and shall take effect sixty (60) days after its enactment, unless a proper Petition for Referendum thereof shall be filed prior to said date; in which event, the Bill shall not take effect until the expiration of thirty (30) days following the approval of this Bill by a majority of the qualified voters of the County voting in any such referendum.

Certified correct as passed and adopted by the County Council of Wicomico County, Maryland this 3rd day of December, 2024.

WICOMICO COUNTY, MARYLAND

 (SEAL)

By: John Cannon, President

 (SEAL)

By: Laura Hurley, Secretary

I HEREBY CERTIFY that copies of the above Bill are available to the public, the press and other news media at the time of its introduction.

 (SEAL)

By: Laura Hurley, Secretary

Explanation:

~~Strike Out~~ indicates matters deleted from existing law.

CAPITALS INDICATE MATTERS ADDED TO EXISTING LAW.

~~CAPITAL—STRIKE OUT~~ indicates matter stricken from Bill by Amendment.

CAPITAL UNDERLINING indicates Amendments to Bill

COUNTY COUNCIL
OF
WICOMICO COUNTY, MARYLAND

2024 Legislative Session

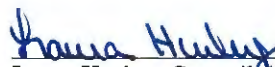
Legislative Day No. 23

LEGISLATIVE BILL NO. 2024-10

INTRODUCED BY: The Council President at the request of the County Executive


AN ACT TO AMEND CHAPTER 90 OF THE WICOMICO COUNTY CODE, TITLED "TAX EXEMPTIONS," BY REPEALING IN ITS ENTIRETY SECTION 90-7, TITLED "HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT."

Introduced and read first time on October 15, 2024. Ordered posted and public hearing scheduled for November 5, 2024 at 6:00 p.m.



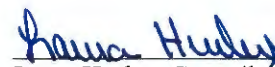
Laura Hurley, Council Administrator

PUBLIC HEARING: Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, the Bill was read for a second time at a public hearing held on November 5, 2024.



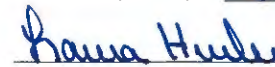
Laura Hurley, Council Administrator

CERTIFICATION: The undersigned hereby certifies that this Bill was Approved and Adopted by the County Council of Wicomico County, Maryland, on the 3rd day of December, 2024.



Laura Hurley, Council Administrator

Presented to the County Executive for approval this 4th day of December, 2024, at 9:45 a.m. (5 days §411)



Laura Hurley, Council Administrator

BY THE COUNTY EXECUTIVE:



County Executive

APPROVED

Date: 12/4/2024
(21 days §411)

VETOED

Date: _____

BY THE COUNCIL:

Option One: This Bill, having been approved by the County Executive and returned to the Council, becomes law on December 4, 2024 and effective on: February 3, 2025 (60 days §311)

Option Two: This Bill, having received neither the approval nor the disapproval of the County Executive with 21 days of its presentation, stands enacted on _____ and becomes effective on _____ (60 days §311)

Option Three: This Bill, being exempt from the Executive Veto stands enacted on _____ and becomes effective on _____ (Charter Section 305)

ENROLLMENT: Legislative Bill No. 2024-10 is herewith submitted to the County Council of Wicomico County for enrollment as being the text as finally passed.



Laura Hurley, Council Administrator