HOUSE BILL 414

Q20lr1008

By: St. Mary's County Delegation

Introduced and read first time: January 23, 2020

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2020

CHAPTER

AN ACT concerning 1

2

3

St. Mary's County - Property Tax Credit - Improvements for Improvements to Commercial Real Property and Transfer Tax Sunset Extension

4 FOR the purpose of authorizing the governing body of St. Mary's County to grant, by law, 5 a property tax credit against the county property tax imposed on certain real 6 property that is located in a certain area of the county and has had improvements 7 made on it on or after a certain date; prohibiting the tax credit from exceeding a 8 certain percentage of the county property tax assessed on the property; authorizing 9 the governing body of St. Mary's County to provide, by law, for certain matters 10 relating to the tax credit; requiring the governing body of St. Mary's County to define, 11 by law, certain eligibility criteria; extending to a certain date the termination provision relating to the authority of the County Commissioners of St. Mary's County 12 13 to impose a transfer tax on certain instruments of writing; providing for the application of certain provisions of this Act; and generally relating to a property tax 14 15 credit for improvements to commercial real property and the transfer tax in St. 16 Mary's County.

17 BY adding to

18 Article – Tax – Property

19 Section 9-320(e)

Annotated Code of Maryland 20 (2019 Replacement Volume) 21

22BY repealing and reenacting, without amendments, 23

The Public Local Laws of St. Mary's County

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

1 2 3	Section 138–1B. Article 19 – Public Local Laws of Maryland (2007 Edition and March 2015 Supplement, as amended)
4 5 6 7 8	BY repealing and reenacting, with amendments, The Public Local Laws of St. Mary's County Section 138–1F. Article 19 – Public Local Laws of Maryland (2007 Edition and March 2015 Supplement, as amended)
9 10	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
11	Article - Tax - Property
12	9–320.
13 14 15	(E) (1) THE GOVERNING BODY OF ST. MARY'S COUNTY MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY PROPERTY TAX IMPOSED ON COMMERCIAL REAL PROPERTY THAT:
16	(I) IS LOCATED IN AN ELIGIBLE AREA OF THE COUNTY; AND
17 18	(II) HAS HAD IMPROVEMENTS MADE ON THE PROPERTY ON OR AFTER JULY 1, 2020.
19 20 21	(2) (I) The amount of the credit authorized under this subsection may not exceed 25% of the county property tax assessed on the property.
22 23	(II) THE DURATION OF THE CREDIT AUTHORIZED UNDER THIS SUBSECTION MAY NOT EXCEED 10 YEARS.
24 25	(3) IF THE GOVERNING BODY OF ST. MARY'S COUNTY AUTHORIZES A CREDIT UNDER THIS SUBSECTION, THE GOVERNING BODY OF ST. MARY'S COUNTY:
26	(I) MAY PROVIDE, BY LAW, FOR:
27 28	1. SUBJECT TO PARAGRAPH (2)(I) OF THIS SUBSECTION, THE AMOUNT OF THE CREDIT;
29 30	2. SUBJECT TO PARAGRAPH (2)(II) OF THIS SUBSECTION, THE DURATION OF THE CREDIT; AND

$\frac{1}{2}$	3. ANY OTHER PROVISION NECESSARY TO ADMINISTER THE CREDIT; AND
3 4 5	(II) SHALL DEFINE, BY LAW, THE AREAS IN THE COUNTY AND THE IMPROVEMENTS TO THE PROPERTY THAT ARE ELIGIBLE FOR A CREDIT AUTHORIZED UNDER THIS SUBSECTION.
6 7	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
8	Article 19 - St. Mary's County
9	<u>138–1.</u>
10 11	B. The County Commissioners may impose a transfer tax on an instrument of writing:
12	(1) Recorded with the Clerk of the Circuit Court for St. Mary's County; or
13	(2) Filed with the State Department of Assessments and Taxation.
14 15	F. The authority granted to impose a transfer tax under this section shall terminate and be of no effect after [July 1, 2020] OCTOBER 1, 2024.
16 17	SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be applicable to all taxable years beginning after June 30, 2020.
18 19	SECTION 2. 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020, and shall be applicable to all taxable years beginning after June 30, 2020.
	Approved:
	Governor.
	Speaker of the House of Delegates.
	President of the Senate.