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**By: Calvert County Delegation**

Introduced and read first time: February 10, 2006

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 23, 2006

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## CHAPTER\_\_\_\_\_

1 AN ACT concerning

2 **Calvert County - Property Tax Credits - Economic Development**

3 FOR the purpose of authorizing the governing body of Calvert County to grant, by  
 4 law, a property tax credit against the county property tax imposed on certain  
 5 property owned by certain businesses under certain circumstances; authorizing  
 6 the governing body of Calvert County to grant a property tax credit against  
 7 property taxes on property within certain target areas; ~~limiting the time for~~  
 8 ~~which certain tax credits may be granted; providing for the application of this~~  
 9 Act; and generally relating to authorization for certain property tax credits for  
 10 expanding or new businesses in Calvert County.

11 BY adding to

12 Article - Tax - Property

13 Section 9-306(g)

14 Annotated Code of Maryland

15 (2001 Replacement Volume and 2005 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Tax - Property**

19 9-306.

20 (G) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE  
 21 GOVERNING BODY OF CALVERT COUNTY MAY GRANT, BY LAW, A PROPERTY TAX  
 22 CREDIT UNDER THIS SECTION AGAINST THE COUNTY PROPERTY TAX IMPOSED ON  
 23 REAL PROPERTY OWNED BY AN EXPANDING OR NEW BUSINESS THAT:

1                                   1.       EMPLOYS AT LEAST 25 NEW ADDITIONAL FULL-TIME  
2 EMPLOYEES, THE SALARIES FOR WHICH MUST BE GREATER THAN THE COUNTY  
3 ANNUAL AVERAGE SALARY IN THE ECONOMIC DEVELOPMENT TARGET MARKET  
4 SECTOR, AS DETERMINED BY THE COUNTY; AND

5                                   2.       ACQUIRES AT LEAST \$2,500,000 IN LAND, IMPROVEMENTS  
6 TO THE LAND, OR EQUIPMENT IN THE COUNTY.

7                                   (II)     IF THE EXPANDING OR NEW BUSINESS IS A ~~PUBLIC UTILITY~~  
8 ENGAGED IN THE GENERATION OF ELECTRICITY, THE CREDIT UNDER THIS SECTION  
9 MAY BE GRANTED AGAINST THE COUNTY PROPERTY TAX IMPOSED ON ~~OPERATING~~  
10 PERSONAL PROPERTY AND ~~OPERATING~~ REAL PROPERTY OWNED BY THE ~~PUBLIC~~  
11 UTILITY EXPANDING OR NEW BUSINESS.

12                               (2)     THE TAX CREDIT UNDER THIS SECTION SHALL BE GRANTED TO:

13                               (I)     A BUSINESS THAT OWNS THE LAND AND BUILDING IT  
14 OCCUPIES WITHIN THE COUNTY; OR

15                               (II)    ANY PARTY RESPONSIBLE FOR PAYING THE REAL PROPERTY  
16 TAXES ON ALL OR PART OF THE LAND OR BUILDING.

17                               (3)     THE AMOUNT OF THE CREDIT MAY NOT EXCEED 50% OF THE  
18 AMOUNT OF PROPERTY TAX DUE IN ANY TAXABLE YEAR.

19                               ~~(4)     A TAX CREDIT GRANTED UNDER THIS SUBSECTION MAY NOT BE~~  
20 ~~GRANTED FOR MORE THAN 5 YEARS.~~

21                               ~~(5)~~   (4)     THE GOVERNING BODY OF CALVERT COUNTY MAY DEFINE, FIX,  
22 OR LIMIT THE AMOUNT, TERMS, SCOPE, AND DURATION OF ANY CREDIT PROVIDED  
23 FOR OR AFFIRMED UNDER THIS SUBSECTION.

24     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 July June 1, 2006, and shall be applicable to all taxable years beginning after June  
26 30, 2006.