

Bill No.: \_\_\_\_\_

Requested: \_\_\_\_\_

Committee: \_\_\_\_\_

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Stored – 09/14/09

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By: **Montgomery County Delegation**

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Enterprise Zones – County Tax Credits**

3 **MC 2–10**

4 FOR the purpose of authorizing Montgomery County to allow, by law, a business  
5 entity that is not eligible for a certain tax credit to claim a credit against county  
6 taxes for certain improvements to properties located in an enterprise zone;  
7 requiring the governing body of Montgomery County to provide for calculation  
8 of the amount of the credit and to specify which county tax or taxes the credit  
9 applies to, the improvements eligible for the credit, the qualifications for  
10 eligibility, the conditions of certification, and the process for application for the  
11 credit; authorizing Montgomery County to impose limits on the amount of  
12 credits issued for any taxable year; authorizing Montgomery County to make  
13 the credit refundable; authorizing Montgomery County to provide for the  
14 recapture of the credit; and generally relating to the authority of Montgomery  
15 County to authorize a credit against county taxes for improvements to property  
16 located in an enterprise zone.

17 BY adding to

18 Article – Economic Development

19 Section 5–710

20 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



21 (2008 Volume and 2009 Supplement)

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

24 **Article – Economic Development**

25 **5–710.**

26 (A) IN THIS SECTION, “ELIGIBLE BUSINESS ENTITY” MEANS A PERSON  
27 WHO OPERATES OR CONDUCTS A TRADE OR BUSINESS AND IS NOT ELIGIBLE FOR  
28 THE PROPERTY TAX CREDIT UNDER § 9–103 OF THE TAX – PROPERTY ARTICLE.

29 (B) THE GOVERNING BODY OF MONTGOMERY COUNTY MAY, BY LAW,  
30 ALLOW AN ELIGIBLE BUSINESS ENTITY TO CLAIM A CREDIT AGAINST A COUNTY  
31 TAX FOR IMPROVEMENTS TO PROPERTY LOCATED IN AN ENTERPRISE ZONE.

32 (C) (1) A LAW THAT AUTHORIZES A CREDIT UNDER THIS SECTION  
33 SHALL:

34 (I) SPECIFY WHICH COUNTY TAX OR TAXES THE CREDIT  
35 APPLIES TO;

36 (II) DEFINE THE IMPROVEMENTS ELIGIBLE FOR THE TAX  
37 CREDIT;

38 (III) SPECIFY THE QUALIFICATIONS FOR ELIGIBILITY,  
39 CONDITIONS OF CERTIFICATION, AND PROCESS FOR APPLICATION FOR THE TAX  
40 CREDIT; AND

41 (IV) PROVIDE FOR CALCULATION OF THE AMOUNT OF THE  
42 TAX CREDIT.

43 (2) A LAW THAT AUTHORIZES A CREDIT UNDER THIS SECTION  
44 MAY:

45 (I) LIMIT THE TOTAL AMOUNT OF TAX CREDITS THAT MAY  
46 BE AUTHORIZED IN A YEAR;

47                           **(II) ALLOW A REFUND OF THE TAX CREDIT IF THE CREDIT**  
48 **OTHERWISE EXCEEDS THE TOTAL TAX PAYABLE; AND**

49                           **(III) PROVIDE FOR THE RECAPTURE OF THE CREDIT.**

50                   **(D) THE GOVERNING BODY OF MONTGOMERY COUNTY MAY IMPOSE**  
51 **ANY ADDITIONAL LIMITATIONS NECESSARY TO ADMINISTER THE TAX CREDIT.**

52                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
53 July 1, 2010.