

SENATE BILL 930

Q2

7lr2922
CF HB 695

By: **Chair, Anne Arundel County Senators**
Introduced and read first time: February 3, 2017
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 14, 2017

CHAPTER _____

1 AN ACT concerning

2 **Anne Arundel County – Property Tax – Payment in Lieu of Taxes Agreements –**
3 **Economic Development Projects**

4 FOR the purpose of authorizing the governing body of Anne Arundel County, on or before
5 a certain date, to enter into an agreement with the owner of a certain economic
6 development project for payment in lieu of the county real and personal property tax;
7 exempting certain property of an economic development project in Anne Arundel
8 County from county property tax under certain circumstances; requiring that a
9 payment in lieu of taxes agreement include certain provisions; authorizing the owner
10 of the economic development project and the county to modify a certain payment in
11 lieu of taxes agreement under certain circumstances; and generally relating to
12 authorizing certain payment in lieu of taxes agreements in Anne Arundel County.

13 BY adding to
14 Article – Tax – Property
15 Section 7–520
16 Annotated Code of Maryland
17 (2012 Replacement Volume and 2016 Supplement)

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

20 **Article – Tax – Property**

21 **7–520.**

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 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
2 INDICATED.

3 (2) "ECONOMIC DEVELOPMENT PROJECT" MEANS A REAL ESTATE
4 DEVELOPMENT PROJECT IN ANNE ARUNDEL COUNTY THAT CONSISTS OF NEWLY
5 CONSTRUCTED OR REHABILITATED COMMERCIAL PROPERTY IF THE PROPERTY HAS
6 NOT BEEN THE SUBJECT OF A CONDEMNATION OR EMINENT DOMAIN PROCEEDING
7 UNDERTAKEN FOR PURPOSES RELATED TO THE PROJECT.

8 (3) "PUBLIC BENEFIT" MEANS ~~AN EXTRAORDINARY~~ A UNIQUE AND
9 QUANTIFIABLE SERVICE TO BE PROVIDED BY THE ECONOMIC DEVELOPMENT
10 PROJECT FOR THE BENEFIT OF SCHOOLS, PUBLIC SAFETY, OR OTHER LOCAL
11 GOVERNMENT SERVICES BEYOND THAT WHICH WOULD ARISE GENERALLY FROM A
12 PRIVATE BUSINESS DEVELOPMENT PROJECT.

13 (B) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY MAY EXEMPT OR
14 PARTIALLY EXEMPT AN ECONOMIC DEVELOPMENT PROJECT FROM THE COUNTY
15 REAL OR PERSONAL PROPERTY TAX IF:

16 (1) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT
17 DEMONSTRATES TO THE SATISFACTION OF THE ANNE ARUNDEL COUNTY
18 EXECUTIVE AND COUNTY COUNCIL OF ANNE ARUNDEL COUNTY THAT THE
19 PROJECT IS AN ECONOMIC DEVELOPMENT PROJECT THAT PROVIDES A PUBLIC
20 BENEFIT; AND

21 (2) ON OR BEFORE JUNE 30, 2020, THE OWNER OF THE ECONOMIC
22 DEVELOPMENT PROJECT AND THE COUNTY ENTER INTO A PAYMENT IN LIEU OF
23 TAXES AGREEMENT, APPROVED BY ORDINANCE OF THE COUNTY COUNCIL, THAT
24 SPECIFIES:

25 (I) ANY AMOUNT THAT THE OWNER OF THE ECONOMIC
26 DEVELOPMENT PROJECT SHALL PAY TO THE COUNTY EACH YEAR IN LIEU OF THE
27 PAYMENT OF COUNTY REAL OR PERSONAL PROPERTY TAXES DURING THE TERM OF
28 THE AGREEMENT;

29 (II) ANY SERVICES THAT THE ECONOMIC DEVELOPMENT
30 PROJECT SHALL PROVIDE TO THE COUNTY EACH YEAR OF THE TERM OF THE
31 PAYMENT IN LIEU OF TAXES AGREEMENT;

32 (III) THE TERM OF THE AGREEMENT; AND

1 (IV) THAT EACH YEAR AFTER THE EXPIRATION OR TERMINATION
2 OF THE AGREEMENT, FULL REAL AND PERSONAL PROPERTY TAXES SHALL BE
3 PAYABLE ON THE PROPERTY.

4 (C) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT AND THE
5 COUNTY MAY MODIFY ANY PAYMENT IN LIEU OF TAXES AGREEMENT ENTERED INTO
6 ON OR BEFORE JUNE 30, 2020, IF THE MODIFICATION IS APPROVED BY ORDINANCE
7 OF THE COUNTY COUNCIL.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.