

HOUSE BILL 695

Q2

7lr2923
CF 7lr2922

By: **Delegate Beidle (By Request – Anne Arundel County Administration) and
Delegates Carey, Chang, Frush, S. Howard, Malone, McConkey,
Pena–Melnyk, Saab, Simonaire, and Sophocleus**

Introduced and read first time: February 1, 2017

Assigned to: Ways and Means

A BILL ENTITLED

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 to enter into
5 an agreement with the owner of a certain economic development project for payment
6 in lieu of the county real and personal property tax; exempting certain property of
7 an economic development project in Anne Arundel County from county property tax
8 under certain circumstances; requiring that a payment in lieu of taxes agreement
9 include certain provisions; and generally relating to authorizing certain payment in
10 lieu of taxes agreements in Anne Arundel County.

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

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

18 **Article – Tax – Property**

19 **7–520.**

20 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
21 **INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

19 **(2) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT AND THE**
20 **COUNTY ENTER INTO A PAYMENT IN LIEU OF TAXES AGREEMENT, APPROVED BY**
21 **ORDINANCE OF THE COUNTY COUNCIL, THAT SPECIFIES:**

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

26 **(II) ANY SERVICES THAT THE ECONOMIC DEVELOPMENT**
27 **PROJECT SHALL PROVIDE TO THE COUNTY EACH YEAR OF THE TERM OF THE**
28 **PAYMENT IN LIEU OF TAXES AGREEMENT;**

29 **(III) THE TERM OF THE AGREEMENT; AND**

30 **(IV) THAT EACH YEAR AFTER THE EXPIRATION OR TERMINATION**
31 **OF THE AGREEMENT, FULL REAL AND PERSONAL PROPERTY TAXES SHALL BE**
32 **PAYABLE ON THE PROPERTY.**

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
34 1, 2017.