

Chapter 96

**(House Bill 695)**

AN ACT concerning

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

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

BY adding to

Article – Tax – Property

Section 7–520

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

**Article – Tax – Property**

**7–520.**

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

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

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

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

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

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

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

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

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

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

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

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

Approved by the Governor, April 11, 2017.