

HOUSE BILL 1010

Q2

(11r2019)

ENROLLED BILL

— *Environment and Transportation/Budget and Taxation* —

Introduced by **Prince George’s County Delegation**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o’clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Prince George’s County – Payment in Lieu of Taxes Agreements – Low-Income**
3 **Housing**

4 **PG 415-21**

5 FOR the purpose of authorizing the governing body of Prince George’s County to enter into
6 an agreement with an owner of real property who is engaged in constructing or
7 operating housing structures or projects for the payment of a negotiated amount in
8 lieu of county property taxes on the property; requiring property that is subject to a
9 payment in lieu of taxes agreement to be used for a housing structure or project that
10 is ~~constructed~~ acquired, constructed, or rehabilitated under certain programs or
11 acquired under a certain county program; requiring the owner of real property
12 subject to a payment in lieu of taxes agreement to agree to certain requirements for
13 the use of the property for low-income housing; authorizing real property subject to
14 a payment in lieu of taxes agreement to include certain service facilities; providing

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.

Italics indicate opposite chamber/conference committee amendments.



1 that real property subject to a payment in lieu of taxes agreement is exempt from
2 county property tax when certain requirements are met; defining a certain term; and
3 generally relating to payment in lieu of taxes agreements for low-income housing in
4 Prince George's County.

5 BY adding to

6 Article – Tax – Property

7 Section 7–506.3

8 Annotated Code of Maryland

9 (2019 Replacement Volume and 2020 Supplement)

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

12 **Article – Tax – Property**

13 **7–506.3.**

14 (A) (1) IN THIS SUBSECTION, “SERVICE FACILITIES” INCLUDES
15 NONDWELLING COMMERCIAL AND COMMUNITY FACILITIES, COMMUNITY ROOMS,
16 DINING HALLS, INFIRMARIES, CHILD AND ADULT DAY CARE FACILITIES, AND DRUG
17 REHABILITATION FACILITIES.

18 (2) IN PRINCE GEORGE’S COUNTY, REAL PROPERTY MAY BE EXEMPT
19 FROM COUNTY PROPERTY TAX IF:

20 (I) THE REAL PROPERTY IS OWNED BY A PERSON ENGAGED IN
21 CONSTRUCTING OR OPERATING HOUSING STRUCTURES OR PROJECTS;

22 (II) THE REAL PROPERTY IS USED FOR A HOUSING STRUCTURE
23 OR PROJECT THAT:

24 1. IS ~~CONSTRUCTED~~ ACQUIRED, CONSTRUCTED, OR
25 REHABILITATED UNDER A FEDERAL, STATE, OR LOCAL GOVERNMENT PROGRAM
26 THAT:

27 A. FUNDS CONSTRUCTION OR REHABILITATION OR
28 INSURES THE FINANCING OF CONSTRUCTION OR REHABILITATION IN WHOLE OR IN
29 PART, INCLUDING A HOUSING INVESTMENT TRUST; OR

30 B. PROVIDES INTEREST SUBSIDY, RENT SUBSIDY, OR
31 RENT SUPPLEMENTS; OR

1 **2. IS ACQUIRED UNDER THE RIGHT OF FIRST REFUSAL**
2 **PROGRAM UNDER SUBTITLE 13, DIVISION 14 OF THE PRINCE GEORGE'S COUNTY**
3 **CODE;**

4 **(III) THE OWNER AND THE GOVERNING BODY OF PRINCE**
5 **GEORGE'S COUNTY AGREE THAT THE OWNER SHALL PAY A NEGOTIATED AMOUNT IN**
6 **LIEU OF THE APPLICABLE COUNTY PROPERTY TAX; AND**

7 **(IV) THE OWNER OF THE REAL PROPERTY:**

8 **1. A. AGREES TO COMMENCE OR CONTINUE TO**
9 **MAINTAIN THE REAL PROPERTY AS RENTAL HOUSING FOR LOWER INCOME PERSONS**
10 **UNDER THE REQUIREMENTS OF THE GOVERNMENT PROGRAMS DESCRIBED IN ITEM**
11 **(II) OF THIS PARAGRAPH; AND**

12 **B. AGREES TO RENEW ANY ANNUAL CONTRIBUTIONS**
13 **CONTRACT OR OTHER AGREEMENT FOR RENTAL SUBSIDY OR SUPPLEMENT; OR**

14 **2. ENTERS INTO AN AGREEMENT WITH THE GOVERNING**
15 **BODY OF PRINCE GEORGE'S COUNTY TO ALLOW THE ENTIRE PROPERTY OR THE**
16 **PORTION OF THE PROPERTY THAT WAS MAINTAINED FOR LOWER INCOME PERSONS**
17 **TO REMAIN AS HOUSING FOR LOWER INCOME PERSONS FOR A TERM OF AT LEAST 5**
18 **YEARS.**

19 **(3) IF THE STRUCTURE AND FACILITIES OF THE REAL PROPERTY ARE**
20 **USED PREDOMINANTLY FOR RESIDENTIAL PURPOSES, THE REAL PROPERTY MAY**
21 **CONTAIN SERVICE FACILITIES TO SERVE ITS OCCUPANTS AND THE SURROUNDING**
22 **NEIGHBORHOOD.**

23 **(B) REAL PROPERTY DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS**
24 **EXEMPT WHEN THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION ARE MET.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
26 1, 2021.