

# SENATE BILL 306

Q1

11r0061

(PRE-FILED)

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By: **Chair, Budget and Taxation Committee (By Request – Departmental – Assessments and Taxation)**

Requested: September 23, 2020

Introduced and read first time: January 13, 2021

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Enterprise Zones – Reimbursements to Local Governments – Request Deadline**  
3 **and Recovery of Overpayment**

4 FOR the purpose of requiring the Department of Assessments and Taxation to deny a  
5 request by a county or municipal corporation for reimbursement of a certain portion  
6 of the revenue not collected as a result of the enterprise zone property tax credit if  
7 the request is made after a certain date; providing that a county or municipal  
8 corporation that requests the reimbursement after a certain date is forever barred  
9 from receiving the reimbursement; requiring the Department to reduce certain  
10 reimbursements to certain counties or municipal corporations for a certain period of  
11 time under certain circumstances; and generally relating to State reimbursements  
12 to a county or municipal corporation for reduced revenues resulting from enterprise  
13 zone property tax credits.

14 BY repealing and reenacting, without amendments,  
15 Article – Tax – Property  
16 Section 9–103(h)  
17 Annotated Code of Maryland  
18 (2019 Replacement Volume and 2020 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article – Tax – Property  
21 Section 9–103(i)  
22 Annotated Code of Maryland  
23 (2019 Replacement Volume and 2020 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



**Article – Tax – Property**

9–103.

(h) As provided in the State budget, the State shall remit to each county or municipal corporation an amount equal to one-half of the funds that would have been collected if the property tax credit under this section had not been granted.

(i) (1) (i) For a county or municipal corporation to receive a reimbursement under subsection (h) of this section by August 31 in any calendar year, the county or municipal corporation shall submit an annual request to the Department of Assessments and Taxation for the amount required by subsection (h) of this section on or before June 30 of that year.

(ii) On or before July 31 after the Department of Assessments and Taxation receives the request from the county or municipal corporation under subparagraph (i) of this paragraph, the Department shall certify to the Comptroller the reimbursement due to each county or municipal corporation.

(iii) On or before August 31 after the Comptroller receives the certification from the Department under subparagraph (ii) of this paragraph, the Comptroller shall reimburse each county or municipal corporation.

(2) **[If] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, IF** a county or municipal corporation submits its request for the amount required under subsection (h) of this section after June 30:

(i) the Department shall issue its certification to the Comptroller within 30 days after receipt of the request; and

(ii) the Comptroller shall reimburse the county or municipal corporation within 30 days after receipt of the certification.

**(3) IF A COUNTY OR MUNICIPAL CORPORATION SUBMITS ITS REQUEST FOR THE AMOUNT REQUIRED UNDER SUBSECTION (H) OF THIS SECTION AFTER MAY 1 OF THE CALENDAR YEAR IMMEDIATELY FOLLOWING THE JUNE 30 DEADLINE UNDER PARAGRAPH (1) OF THIS SUBSECTION:**

**(I) THE DEPARTMENT SHALL DENY THE REQUEST; AND**

**(II) THE COUNTY OR MUNICIPAL CORPORATION IS FOREVER BARRED FROM REIMBURSEMENT BY THE STATE FOR THE AMOUNT DUE UNDER SUBSECTION (H) OF THIS SECTION FOR THAT IMMEDIATELY PRECEDING CALENDAR YEAR.**

**(4) IF A COUNTY OR MUNICIPAL CORPORATION RECEIVES A**

1 REIMBURSEMENT IN EXCESS OF THE AMOUNT DUE UNDER SUBSECTION (H) OF THIS  
2 SECTION, THE DEPARTMENT SHALL REDUCE FUTURE REIMBURSEMENTS  
3 CERTIFIED AS DUE TO THE COUNTY OR MUNICIPAL CORPORATION UNTIL THE  
4 EXCESS IS RECOUPED.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2021.