

# HOUSE BILL 444

Q2

3lr1426

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By: **Prince George's County Delegation**

Introduced and read first time: January 30, 2023

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

4 **PG 403–23**

5 FOR the purpose of authorizing the governing body of Prince George's County to enter into  
6 a payment in lieu of taxes agreement with an owner of real property that is used for  
7 low-income housing that is financed through the county's Right of First Refusal  
8 program or acquired, constructed, or rehabilitated for the purpose of operating the  
9 low-income housing; and generally relating to payment in lieu of taxes agreements  
10 for low-income housing in Prince George's County.

11 BY repealing and reenacting, with amendments,  
12 Article – Tax – Property  
13 Section 7–506.3  
14 Annotated Code of Maryland  
15 (2019 Replacement Volume and 2022 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 7–506.3.

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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 subsection, “service facilities” includes nondwelling commercial  
2 and community facilities, community rooms, dining halls, infirmaries, child and adult day  
3 care facilities, and drug rehabilitation facilities.

4 (2) In Prince George’s County, real property may be exempt from county  
5 property tax if:

6 (i) the real property is owned by a person engaged in constructing  
7 or operating housing structures or projects;

8 (ii) the real property is used for a housing structure or project that:

9 1. is acquired, constructed, or rehabilitated under a federal,  
10 State, or local government program that:

11 A. funds construction or rehabilitation or insures the  
12 financing of construction or rehabilitation in whole or in part, including a housing  
13 investment trust; or

14 B. provides interest subsidy, rent subsidy, or rent  
15 supplements; ~~or~~

16 2. is acquired **OR FINANCED** under the Right of First Refusal  
17 program under Subtitle 13, Division 14 of the Prince George’s County Code; **OR**

18 **3. IS ACQUIRED, CONSTRUCTED, OR REHABILITATED**  
19 **FOR THE PURPOSE OF OPERATING RENTAL HOUSING FOR LOWER INCOME PERSONS;**

20 (iii) the owner and the governing body of Prince George’s County  
21 agree that the owner shall pay a negotiated amount in lieu of the applicable county property  
22 tax; and

23 (iv) the owner of the real property:

24 1. A. agrees to commence or continue to maintain the  
25 real property as rental housing for lower income persons under the requirements of ~~the~~  
26 ~~government programs described in~~ item (ii) of this paragraph; and

27 B. agrees to renew any annual contributions contract or other  
28 agreement for rental subsidy or supplement; or

29 2. enters into an agreement with the governing body of  
30 Prince George’s County to allow the entire property or the portion of the property that was  
31 maintained for lower income persons to remain as housing for lower income persons for a  
32 term of at least 5 years.

1           (3) If the structure and facilities of the real property are used  
2 predominantly for residential purposes, the real property may contain service facilities to  
3 serve its occupants and the surrounding neighborhood.

4           (b) Real property described in subsection (a) of this section is exempt when the  
5 requirements of subsection (a) of this section are met.

6           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
7 1, 2023.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.