

SENATE BILL 733

Q8

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By: **Senator Carter**

Introduced and read first time: January 31, 2024

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Task Force to Study Transparency in Tax Incentives**

3 FOR the purpose of establishing the Task Force to Study Transparency in Tax Incentives
4 to study and recommend a uniform process for evaluating certain tax incentives; and
5 generally relating to the Task Force to Study Transparency in Tax Incentives.

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

7 That:

8 (a) In this section, “tax incentives” means:

9 (1) tax increment financing authorized under Title 12, Subtitle 2 of the
10 Economic Development Article;

11 (2) payments in lieu of taxes authorized under Title 7, Subtitle 5 of the Tax
12 – Property Article;

13 (3) the Enterprise Zone property tax credit required under § 9–103 of the
14 Tax – Property Article; and

15 (4) the Brownfields Revitalization Incentive Program established under §
16 5–335 of the Economic Development Article.

17 (b) There is a Task Force to Study Transparency in Tax Incentives.

18 (c) The Task Force consists of the following members:

19 (1) one member of the Senate of Maryland, appointed by the President of
20 the Senate;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) one member of the House of Delegates, appointed by the Speaker of the
2 House;

3 (3) the Executive Director of the State Department of Assessments and
4 Taxation, or the Executive Director's designee; and

5 (4) the following members, appointed by the Governor:

6 (i) three members who are experts in technology and data collection;

7 (ii) two members who are experts in real estate development or
8 related fields;

9 (iii) one elected official from the jurisdiction with the largest amount
10 of forgone revenue calculated on a per capita basis for fiscal year 2024 attributable to the
11 tax incentives;

12 (iv) one elected official from the jurisdiction with the second largest
13 amount of forgone revenue calculated on a per capita basis for fiscal year 2024 attributable
14 to the tax incentives; and

15 (v) one representative of the primary economic development
16 authority for the jurisdiction with the largest amount of forgone revenue calculated on a
17 per capita basis for fiscal year 2024 attributable to the tax incentives.

18 (d) The Governor shall designate the chair of the Task Force.

19 (e) The State Department of Assessments and Taxation shall provide staff for the
20 Task Force.

21 (f) A member of the Task Force:

22 (1) may not receive compensation as a member of the Task Force; but

23 (2) is entitled to reimbursement for expenses under the Standard State
24 Travel Regulations, as provided in the State budget.

25 (g) The Task Force shall:

26 (1) study the use and performance of the tax incentives;

27 (2) identify the most appropriate performance metrics for evaluating the
28 tax incentives;

29 (3) collect data, for the last 5 years, necessary to evaluate the tax incentives
30 using the most appropriate performance metrics; and

1 (4) make recommendations regarding:

2 (i) the implementation of uniform reporting for data on and
3 evaluation of the tax incentives;

4 (ii) the method for processing, presenting, and preserving data on
5 the tax incentives;

6 (iii) the establishment of standard performance metrics to evaluate
7 the tax incentives; and

8 (iv) the creation of a public database to make the data and
9 performance evaluation of the tax incentives publicly available.

10 (h) On or before July 1, 2025, the Task Force shall report its findings and
11 recommendations to the Governor, the governing body of any local government that
12 provides a tax incentive, and, in accordance with § 2-1257 of the State Government Article,
13 the General Assembly.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2024. It shall remain effective for a period of 1 year and 6 months and, at the end of
16 December 31, 2025, this Act, with no further action required by the General Assembly, shall
17 be abrogated and of no further force and effect.