

Expedited Bill No. 5-10
Concerning: Economic Development -
Biotechnology Credit - County
Supplement
Revised: 1-28-10 Draft No. 1
Introduced: February 2, 2010
Expires: August 2, 2011
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Knapp, Council Vice President Ervin, Councilmember
Leventhal, Council President Floreen and Councilmember Trachtenberg

AN EXPEDITED ACT to:

- (1) authorize the County to supplement the state biotechnology investment incentive tax credit; and
- (2) generally amend the law governing County financial incentives for investment in certain businesses.

By adding

Montgomery County Code
Chapter 20, Finance
Section 20-76A

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. Section 20-76A is inserted as follows:**

2 **20-76A. Biotechnology investment incentive tax credit supplement.**

3 (a) The Director of Finance must pay a Biotechnology Investment Incentive
4 Tax Credit Supplement to each applicant who meets certain eligibility
5 standards.

6 (b) An applicant, who need not be a County resident, is eligible to receive
7 the Supplement if:

8 (1) the applicant has received a final tax credit certificate for the
9 Maryland biotechnology investment incentive tax credit for the
10 year in which the Supplement is claimed; and

11 (2) the tax credit received by the applicant was generated by an
12 investment in a qualified Maryland biotechnology company that
13 has its headquarters and base of operations in the County.

14 (c) The County Executive, by regulations issued under Method (1), may
15 impose other eligibility standards. However, those standards must not
16 make any person ineligible to receive the Supplement who would be
17 eligible under subsection (b).

18 (d) The Supplement paid to each recipient must equal 50% of any tax credit
19 the recipient receives from the State biotechnology investment incentive
20 tax credit program.

21 (e) The Director must require each eligible person to submit an application
22 for the Supplement and may take any other action necessary to
23 administer the Supplement. The Executive may issue regulations under
24 Method (1) to specify an application process and otherwise implement
25 this Section.

26 (f) If the Comptroller of the Treasury agrees, the Director may arrange for
27 the Comptroller to pay the Supplement. To the extent that the

28 Comptroller does not pay the supplement, the Director must pay it
29 directly to each eligible applicant.

30 (g) A person who submits a false or fraudulent application, or withholds
31 material information, to obtain a payment under this Section has
32 committed a Class A violation. In addition, the person must repay the
33 County for all amounts improperly paid and all accrued interest and
34 penalties that would apply to those amounts as if they were overdue
35 taxes. A person who violates this Section is liable for all court costs and
36 expenses of the County in any civil action brought by the County to
37 recover any payment, interest, or penalty. The County may collect any
38 amount due, and otherwise enforce this Section, by any appropriate
39 legal action.

40 (h) If all or part of the allowed state tax credit is recaptured under the
41 applicable state law, the recipient must repay the County within 60 days
42 the portion of any Supplement paid by the County that was based on the
43 recaptured credit.

44 **Sec. 2. Expedited Effective Date.**

45 The Council declares that this Act is necessary for the immediate protection of
46 the public interest. This Act takes effect on the date when it becomes law.

47 *Approved:*

48

49

Nancy Floreen, President, County Council

Date

50 *Approved:*

51

52

Isiah Leggett, County Executive

Date

53 *This is a correct copy of Council action.*

54

55

Linda M. Lauer, Clerk of the Council

Date