Agenda Item 4A September 23, 2014 Introduction

MEMORANDUM

TO:County CouncilFROM:Michael Faden, Senior Legislative Attorney6 Glenn Orlin, Deputy Council Administrator

SUBJECT: Introduction: Expedited Bill 43-14, Parking Lot Districts – Tax Exemption

Expedited Bill 43-14, Parking Lot Districts – Tax Exemption, sponsored by Councilmembers Floreen and Berliner, is scheduled to be introduced on September 23, 2014. A public hearing is tentatively scheduled for October 14 at 1:30 p.m.

Bill 43-14 would allow property owners in County parking lot districts to apply for an exemption from applicable parking lot district taxes during a one-time window ending December 31, 2014, notwithstanding the current law's April 1 deadline to file applications.

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Expedited	Bill No. 43-14	Į	
Concernin	g: Parking Lo	t Districts -	Tax
Exem	otion		
Revised:	9-11-14	Draft No	2
Introduced	: Septemb	er 23, 2014	
Expires:	March 23	, 2016	
Enacted:			
Executive:			
Effective:			
Sunset Da	te: July 1, 20	1 <u>5</u>	
Ch	Laws of Mont	. Co	

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmembers Floreen and Berliner

AN EXPEDITED ACT to:

- (1) allow certain property owners to apply for an exemption from certain parking lot district taxes during a certain time period, notwithstanding certain requirements of law; and
- (2) generally amend the law governing parking lot districts.

By amending

Montgomery County Code Chapter 60, Silver Spring, Bethesda, Wheaton and Montgomery Hills Parking Lot Districts Section 60-14, Application for exemption; determination

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

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

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Sec. 1. Section 60-14 is amended as follows:

2 60-14. Appli

Application for exemption; determination.

Any property owner or lessee in any district may apply, in the 3 (a) 4 following manner, for an exemption from the special taxes prescribed in this Chapter. On or before April 1 of the application year, the 5 owner or lessee must file with the Department of Transportation an 6 application in the form and containing information the Department 7 requires to determine whether the Department should grant an 8 9 exemption. Notwithstanding the preceding sentence, an owner or lessee may file an application for an exemption under this Section no 10 11 later than December 31, 2014, for the tax year beginning on July 1, 2014, and, if the Department finds that the property is eligible for an 12 exemption, the Department must direct the Department of Finance to 13 refund any parking lot district tax paid for that property in tax year 14 15 2014. If the Department grants an exemption for a particular property, the exemption continues for each successive year unless 16 17 there is a change in the number of parking spaces or in the floor area, number of employees, or any other factor governing the number of 18 automobile parking spaces required to qualify for continued 19 20 exemption. The property owner or lessee promptly must notify the Department of any change in qualifying factors. The Department 21 22 may, no more than once in any 12 month period, require any lessee or 23 owner of exempt property to file an information return to determine whether the property meets the requirements for exemption. 24 The exemption ends if the lessee or owner does not file the information 25 26 return.

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8	Sec. 2.	Expedited Effective Date; E	xpiration.	The Council	declares
9	that this legislati	that this legislation is necessary for the immediate protection of the public interest.			
0	This Act takes effect when it becomes law and expires on July 1, 2015.				
1	Approved:				
2					
3					
4	Craig L. Rice, Presi	dent, County Council		Date	
5	Approved:				
5					
7					
8	Isiah Leggett, Coun	ty Executive		Date	
9	This is a correct cop	vy of Council action.			
0					
1					
2	Linda M. Lauer, Cle	erk of the Council		Date	

LEGISLATIVE REQUEST REPORT

Expedited Bill 43-14 Parking Lot Districts – Tax Exemption

- **DESCRIPTION:** Allows property owners in County parking lot districts to apply for an exemption from applicable parking lot district taxes during a one-time window ending December 31, 2014, notwithstanding the current law's April 1 deadline to file applications.
- **PROBLEM:** Some property owners in County parking lot districts may have been unaware of the need for County Department of Transportation approval of applicable property tax exemptions, and the deadline to apply for those exemptions.

GOALS AND To open a one-time window for affected property owners in County parking lot districts to apply for applicable property tax exemptions.

COORDINATION: Department of Transportation, Finance Department

FISCAL IMPACT: To be requested.

ECONOMIC To be requested. **IMPACT:**

EVALUATION: To be requested.

EXPERIENCE To be researched. **ELSEWHERE:**

SOURCE OFMichael Faden, Senior Legislative Attorney, 240-777-7905; glennINFORMATION:Orlin, Deputy Council Administrator, 240-777-7936

APPLICATION Applies only to County parking lot districts.

WITHIN MUNICIPALITIES:

PENALTIES: Not applicable.