

Emergency Bill No. 19-02  
Concerning: Housing - Payments in Lieu  
of Taxes - Authority  
Revised: 7-26-02 Draft No. 2  
Introduced: May 23, 2002  
Enacted: July 30, 2002  
Executive: August 7, 2002  
Effective: August 7, 2002  
Sunset Date: None  
Ch. 26, Laws of Mont. Co. 2002

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Planning, Housing and Economic Development Committee

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**AN EMERGENCY ACT** to:

- (1) allow the Director of Finance to accept payments in lieu of taxes from owners of certain housing, as authorized by state law;
- (2) direct the County Executive to issue guidelines for payments in lieu of taxes for certain housing developments; and
- (3) generally amend County law regarding payments in lieu of taxes for certain types of housing.

By adding

Montgomery County Code  
Chapter 52, Taxation  
Section 52-18M

<b>Boldface</b>	<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. Chapter 52 is amended by adding Section 52-18M:**

2    **52-18M. Payments in lieu of taxes for certain housing developments.**

3           (a)   When authorized by state law, the Director of Finance may agree to  
4               accept a negotiated payment in lieu of the real property tax that would  
5               otherwise be levied on a qualifying housing development. A qualifying  
6               housing development is any housing development of which the owner is  
7               expressly eligible under state law to make payments in lieu of taxes.

8           (b)   Any payment accepted by the Director of Finance must conform to  
9               guidelines included in a regulation adopted by the County Executive  
10              under method (1). Before the Director of Finance accepts a payment in  
11              lieu of taxes, the Director must consult the Director of the Department  
12              of Housing and Community Affairs on whether:

13              (1)   the subject of the payment is a qualifying housing development;  
14                      and

15              (2)   the amount of the payment complies with applicable guidelines.

16           (c)   The aggregate amount of all payments in lieu of taxes under this Section  
17               (other than payments for a housing development owned or operated by  
18               the Housing Opportunities Commission) must not exceed an amount set  
19               annually by Council resolution for the following 10-year period. The  
20               Council by separate resolution may approve a payment which exceeds  
21               the aggregate amount previously set. The Executive, in each annual  
22               operating budget submitted to the Council, must calculate the amount of  
23               pending payments in lieu of taxes already approved under this Section,  
24               including payments for housing developments owned or operated by the  
25               Housing Opportunities Commission.

26    **Sec. 2. Emergency Effective Date.**

27           The Council declares that an emergency exists and that this legislation is  
28 necessary for the immediate protection of the public health and safety. This Act  
29 takes effect on the date on which it becomes law. This Act applies to taxes due  
30 during the tax year that ~~[[begins]]~~ began on July 1, 2002, and any later tax year.

31           **Sec. 3. Guidelines.**

32           Until October 31, 2002, any payment accepted by the Director of Finance  
33 under County Code Section 52-18M, inserted by Section 1 of this Act, need not  
34 conform to guidelines included in a regulation adopted by the County Executive, as  
35 required by Section 52-18M(b).

36 *Approved:*

37 /S/ 7/31/02  
\_\_\_\_\_  
Steven A. Silverman, President, County Council Date

38 *Approved:*

39 /S/ 8/7/02  
\_\_\_\_\_  
Douglas M. Duncan, County Executive Date

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

41 /S/ 8/9/02  
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Mary A. Edgar, CMC, Clerk of the Council Date