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

The County Council for Montgomery County, Maryland approves the following Act:
Sec. 1. Chapter 52 is amended by adding Section 52-18M:

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

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

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

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

and

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

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

Sec. 2. Emergency Effective Date.
The Council declares that an emergency exists and that this legislation is necessary for the immediate protection of the public health and safety. This Act takes effect on the date on which it becomes law. This Act applies to taxes due during the tax year that [[begins]] began on July 1, 2002, and any later tax year.

Sec. 3. Guidelines.

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

Approved:

/S/ Steven A. Silverman, President, County Council 7/31/02

Approved:

/S/ Douglas M. Duncan, County Executive 8/7/02

This is a correct copy of Council action.

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