

Expedited Bill No. 41-09
Concerning: Taxation - Property Tax
Credit - Business Incubator
Revised: June 21, 2010 Draft No. 4
Introduced: November 17, 2009
Enacted: July 20, 2010
Executive: August 2, 2010
Effective: August 2, 2010
Sunset Date: None
Ch. 36, Laws of Mont. Co. 2010

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to create a property tax credit for property used as a publicly sponsored business incubator.

By adding:

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

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 52-18S is added as follows:**

2 **52-18S. Property Tax Credit –publicly sponsored business incubator.**

3 (a) In this section “business incubator” has the meaning in the State law
4 which authorizes this property tax credit.

5 (b) The Director of Finance must allow a tax credit, as authorized by State
6 law, to a taxpayer against all County property tax and special area tax
7 imposed on property that is used as a business incubator if the State, the
8 County, [[a municipality, an organization that is exempt from taxation
9 under §501(c)(3) of the Internal Revenue Code, a public institution of
10 higher education,]] or an agency or instrumentality of the State or
11 County:

12 (1) owns, controls, or leases the space that is used as a business
13 incubator; or

14 (2) provides at least 50% of the total funding received by the
15 business incubator from all sources, not including rents received
16 from incubator tenant firms.;; or

17 (3) is represented on the governance board that approves the annual
18 budget of the business incubator.]]

19 [[c) The tax credit under this Section must continue as long as the property
20 meets one or more criteria listed in subsection (b).]]

21 [[d)]] (c) The Department of Finance must administer this credit.

22 [[e)]] (d) The taxpayer must apply annually for the tax credit by the first day
23 of March before the tax year when the tax credit would be allowed. An
24 application must be filed on forms that the Department prescribes. The
25 applicant must submit any supporting document, information, or
26 certification required by the Department.

27 [[f)]] (e) Any taxpayer aggrieved by a decision of the Director to [[grant or]]

28 deny a credit under this Section may appeal that decision to the
 29 Maryland Tax Court. Each appeal must be filed within 30 days after the
 30 taxpayer receives written notice of the decision from the Director.

31 [[g]] (f) The County Executive may adopt regulations under method (2) to
 32 administer this Section.

33 [[h]] (g) The County Executive must report annually to the County Council
 34 on the use of this tax credit.

35 [[i]] (h) (1) A person must not knowingly file a false or fraudulent
 36 application to obtain a tax credit under this Section. A violation
 37 of this subsection is a class A violation.

38 (2) In addition to the penalties provided under paragraph (1), a
 39 person who violates this subsection must pay the County any
 40 taxes, together with interest and penalties, offset by the credit,
 41 any other penalty due, and the County's fees and costs in any
 42 action to enforce this subsection.

43 **Sec. 2. Expedited Effective Date.**

44 The Council declares that this Act is necessary for the immediate protection
 45 of the public interest. This Act takes effect on the date when it becomes law.
 46 County Code Section 52-18S, enacted by Section 1 of this Act, applies to any tax
 47 year that begins on or after July 1, 2010.

48

49 *Approved:*

50

51 *Nancy Floreen*

7/22/10

52 Nancy Floreen, President, County Council

Date

53 *Approved:*

54

55 *Isiah Leggett*

Aug 2, 2010

56 Isiah Leggett, County Executive

Date

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

58

59 *Linda M. Lauer*

August 3, 2010

60 Linda M. Lauer, Clerk of the Council

Date