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

**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
Sec 1. Section 52-18S is added as follows:

52-18S. Property Tax Credit—publicly sponsored business incubator.

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

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

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

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

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

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

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

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

[(f)] (e) Any taxpayer aggrieved by a decision of the Director to [[grant or]]
deny a credit under this Section may appeal that decision to the
Maryland Tax Court. Each appeal must be filed within 30 days after the
taxpayer receives written notice of the decision from the Director.

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

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

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

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

Sec. 2. Expedited Effective Date.

The Council declares that this Act is necessary for the immediate protection
of the public interest. This Act takes effect on the date when it becomes law.
County Code Section 52-18S, enacted by Section 1 of this Act, applies to any tax
year that begins on or after July 1, 2010.
ExPEDITED Bill No. 41-09

Nancy Floreen 7/22/10
Nancy Floreen, President, County Council

Approved:

Isiah Leggett, County Executive

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council August 3, 2010