AMENDMENT NO. 1 TO
COUNTY ORDINANCE NO. 11-24

AN AMENDMENT TO
A BILL ENTITLED

AN ACT CONCERNING the Establishment of a Property Tax Credit For Certain Businesses;

FOR THE PURPOSE of amending pending County Ordinance No. 11-24 to eliminate the provisions for retroactive application thereof;

BY DELETING Section 5-10.4 F. from pending County Ordinance No. 11-24 and AMENDING Section 5-10.4 C. thereof.

SECTION I

BE IT ENACTED BY THE COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY, MARYLAND that pending County Ordinance No. 11-24 be amended to read as follows:

§5-10.4 Real Property Tax Credit for Certain Businesses.

A. Definition.
In this section, the term "significant real property improvements" shall mean the construction, reconstruction, rehabilitation or expansion of a non-residential structure which, when completed, increases the full fair market value of a property, as determined by the Department of Assessments and Taxation by at least $25,000.00 (the "increased assessment") and which is owned or occupied by a business which establishes to the satisfaction of the Department of Economic Development that it will create a minimum of 25 new full-time positions within 36 months of completion of construction.

B. Establishment.
In accordance with §9-319(d) of the Tax Property Article, Annotated Code of Maryland, the County Commissioners of Queen Anne's County may grant a property tax credit against the tax on real property owned or occupied by a business that makes significant real property improvements in Queen Anne's County.

C. Amount and Duration.
In each fiscal year following the fiscal year in which significant real

property improvements are completed and assessed ~~or, if qualified under Paragraph F of this Section, in the fiscal year following qualification,~~ a tax credit against the County property tax imposed on real property shall be granted in the following amounts:

(1) 80% of the amount of the county property tax imposed on the increased assessment in the first taxable year;

(2) 60% of the amount of the county property tax imposed on the increased assessment in the second taxable year;

(3) 40% of the amount of the county property tax imposed on the increased assessment in the third taxable year;

(4) 20% of the amount of the county property tax imposed on the increased assessment in the fourth taxable year;

(5) 0% of the amount of the county property tax imposed on the increased assessment in the fifth taxable year and all taxable years after the fifth taxable year.

D. Procedures.

(1) The Department of Economic Development and the Department of Finance shall develop an application form and establish procedures to administer the tax credit under this article.

(2) A business may apply for the credit to the Department of Finance. For tax years beginning July 1, 2012, and thereafter, applications for the credit shall be submitted no later than October 1 prior to the first tax year for which the credit is being requested.

(3) The Department of Economic Development shall evaluate the application under criteria established by them and shall recommend to the County Commissioners that the application be denied or approved, subject to any terms and conditions as required under the criteria.

(4) If an application is approved it shall be forwarded to the Director of Finance. The Director of Finance shall forward the approved application to the Supervisor of the Department of Assessments and Taxation in Queen Anne's County, who shall determine what portion of the increase in assessed value is due to the new construction or improvement.

(5) After the determination by the Department of Assessments and Taxation, the Department of Finance shall grant the Queen Anne's County real property tax credit under this Section beginning with the first tax year in which the real property tax would increase as a result of an increase in assessment due to the new construction or improvement or, if qualified under Paragraph F. of this Section, the fiscal year following qualification.

E. Suspension or Revocations of Tax Credit. The tax credit provided under this Section may be suspended or revoked if the recipient fails to meet the definition of "significant real property improvements" or fails to perform any other covenant, condition, term, promises or representation. All such covenants, conditions, terms, promises and representations shall be incorporated into an agreement with the County which shall specify reporting requirements and conditions.

~~F. Retroactive Application. The tax credit under this section may be granted with respect to any significant real property improvements completed and assessed after July 1, 2007 but prior to the effective date of this Ordinance and shall apply under the terms hereof beginning with the first fiscal year following such qualification.~~

SECTION II

BE IT FURTHER ENACTED that this Amendment shall take effect immediately upon its adoption.

INTRODUCED BY: Commissioner Dunmyer

DATE: February 28, 2012

VOTE: 5 Yea 0 Nay

DATE OF ADOPTION OF AMENDMENT: February 28, 2012