

THE COUNTY COMMISSIONERS OF KENT COUNTY, MARYLAND

January 23, 2024

Legislative Session Day

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January 23, 2024

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KENT COUNTY
CODE HOME RULE
BILL No. 1-2024

INTRODUCED BY: Ronald H. Fithian, President of the Board of County Commissioners for Kent County, Maryland.

AN ACT to amend Chapter 152 Taxation of the Code of Public Laws of Kent County, Maryland. The purpose of this amendment is to define tax credits under this Article as non-transferable Article VIII Property Tax Credit – Commerce Zones.

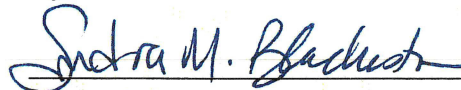
THE COUNTY COMMISSIONERS OF KENT COUNTY



Ronald H. Fithian, President

INTRODUCED, read first time, January 23, 2024, ordered posted and public hearing scheduled on February 6, 2024, at 6:00 p.m., in the County Commissioners Hearing Room, R. Clayton Mitchell, Jr., Kent County Government Center, 400 High Street, Chestertown, Maryland.

By Order of:



Sondra M. Blackiston, Clerk

PUBLIC HEARING

HAVING been posted and notice of time and place of hearing and copies having been made available to the public and the press, a public hearing was held on February 6, 2024. Reported favorably [with] [without] amendments; read the second time and ordered to be considered on March 5, 2024, a legislative session day.

A BILL ENTITLED CHR 1-2024 PROPERTY TAX CREDIT - COMMERCE ZONES

SECTION 1. NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COMMISSIONERS OF KENT COUNTY, MARYLAND that Chapter 152, Article VIII, is hereby amended §152-35 as follows:

ARTICLE VIII

Property Tax Credit: Commerce Zones

§ 152-33. Definitions; program.

A. Definitions. In this article the following words have the meanings indicated:

COMMERCE ZONE - A priority funding area in Kent County designated by the County Commissioners of Kent County as a commerce zone and adopted by resolution.

NEW, IMPROVED, OR EXPANDED PREMISES - Commercial or industrial real property, including a building or part of a building that has not been previously occupied, where a business entity locates to conduct business.

B. Program. The County Commissioners of Kent County may grant, by law, a property tax credit under this section against the County property tax imposed on or after July 1, 2015, on real property owned by a business entity that meets the requirements specified under this article.

§ 152-34. Qualifications for tax credit.

To qualify for a property tax credit under this section, a business entity shall obtain new, improved, or expanded premises in a commerce zone by:

- A. Purchasing newly constructed premises;
- B. Constructing new premises;
- C. Causing new premises to be constructed; or
- D. Improving existing premises for occupation by the business entity.

§ 152-35. Computation **AND EXPIRATION** of tax credit.

If a business entity meets the definitions and requirements under §§ 153-33 and 153-34 of this article, the property tax credit granted under this section shall equal a percentage of the amount of County property tax imposed on the assessment of the new, improved, or expanded premises, as follows:

- A. Fifty percent for each of the first five taxable years;

- B. Twenty-five percent in taxable years six and seven;
- C. Fifteen percent in taxable years eight through 10; and
- D. Zero percent for each taxable year thereafter; **AND**
- E. **A TAX CREDIT GRANTED UNDER THIS ARTICLE ON REAL PROPERTY OWNED BY A BUSINESS ENTITY IS NON-TRANSFERABLE AND SHALL END ON THE DATE THE PROPERTY IS TRANSFERRED TO ANY SUBSEQUENT PROPERTY OWNER. IN THE TAXABLE YEAR IN WHICH THE TRANSFER OCCURS, THE BUSINESS ENTITY SHALL BE GIVEN A CREDIT PRORATED BASED ON THE NUMBER OF MONTHS THE BUSINESS ENTITY OWNED THE PROPERTY.**

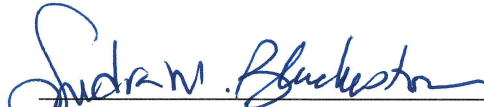
SECTION 2. BE IT FURTHER ENACTED by the County Commissioners of Kent County that this Act shall take effect on the 19th day of April, 2024.

Read Third Time March 5, 2024

PASSED this 5th day of March, 2024.

Failed to Pass _____.

By order of:

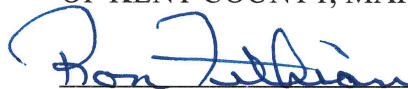


 Sondra M. Blackiston, Clerk

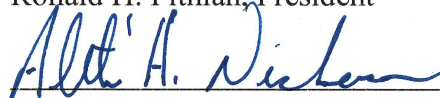


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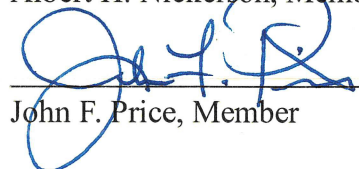
THE COUNTY COMMISSIONERS
 OF KENT COUNTY, MARYLAND



 Ronald H. Fithian, President



 Albert H. Nickerson, Member



 John F. Price, Member

ORDERED a fair summary thereof or the entire bill shall be published in at least one newspaper of general circulation in the County, not less than three times at weekly intervals within a four-week period.