COUNTY COUNCIL

OF

TALBOT COUNTY, MARYLAND

2014 Legislative Session, Legislative Day No. : July 8, 2014

Bill No.: 1288

Expiration Date: September 11, 2014

Introduced by: Mr. Bartlett, Mr. Hollis, Mr. Pack, Ms. Price

A BILL TO AMEND CHAPTER 172 OF THE *TALBOT COUNTY CODE* TO ESTABLISH AN ANNUAL REAL PROPERTY INVESTMENT TAX CREDIT RESERVE IN THE GENERAL FUND, AND TO CHANGE THE DEFINITIONS OF "FULL-TIME POSITION" AND "SUBSTANTIAL INVESTMENT" TO ENHANCE ACCESS TO THE REAL PROPERTY TAX CREDIT PROGRAM FOR COMMERCIAL AND INDUSTRIAL BUSINESSES UNDER ARTICLE IV OF CHAPTER 172

By the Council: July 8, 2014

Introduced, read first time, ordered posted, and public hearing scheduled on Tuesday, August 12, 2014 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

By Order Susan W. Moran

Susan W. Moran, Secretary

A BILL TO AMEND CHAPTER 172 OF THE *TALBOT COUNTY CODE* TO ESTABLISH AN ANNUAL REAL PROPERTY INVESTMENT TAX CREDIT RESERVE IN THE GENERAL FUND, AND TO CHANGE THE DEFINITIONS OF "FULL-TIME POSITION" AND "SUBSTANTIAL INVESTMENT" TO ENHANCE ACCESS TO THE REAL PROPERTY TAX CREDIT PROGRAM FOR COMMERCIAL AND INDUSTRIAL BUSINESSES UNDER ARTICLE IV OF CHAPTER 172

SECTION ONE: BE IT ENACTED BY THE COUNTY COUNCIL OF TALBOT COUNTY, MARYLAND, that Chapter 172 of the *Talbot County Code*, be amended as follows:

KEY	
Boldface.....	Heading or defined term
Underlining.....	Added to existing law by original bill
~~Strikethrough~~.....	Deleted from existing law by original bill
Double underlining.....	Added to bill by amendment
~~Double strikethrough~~	Deleted from bill by amendment
* * *.....	Existing law unaffected

§ 172-22. Definitions

In this article, the following terms have the meanings indicated:

COMMERCIAL OR INDUSTRIAL BUSINESS – Light manufacturing, distribution facilities, office users, technology-based businesses, research and development, and other enterprises engaged in an activity identified by the Talbot County Office of Economic Development as a target for Talbot County's business attraction and retention efforts, excluding retail stores, retail food outlets, and motels.

FULL-TIME POSITIONS – Two thousand hours per year. (This number may be prorated if the business has not been open for a full year.) Permanent employment of not less than thirty-five (35) hours per week, or one thousand seven hundred and fifty (1,750) hours per annum, that is reasonably expected to exist indefinitely.

SUBSTANTIAL INVESTMENT –

Undertaking or completing new construction, or improving an existing facility which, when completed,: (1) has increased increases the fair market value of the real estate by at least $2,000,000, One Million Dollars ($1,000,000), including the value of the land; and

(2)Which is owned or is occupied by a commercial or industrial business enterprise which has created or which will create creates a minimum of 50 15 new full-time positions with salaries equal to or greater than twice the federal minimum wage, within 12 months of completion of construction.

§ 172-23. Establishment of tax credit; administration

A. In accordance with § 9-322(c)(3) of the Tax-Property Article, Annotated Code of Maryland (1999 Cum. Supp.) and this article, the Talbot County Council may grant a property tax credit against the tax on real property owned or occupied by a commercial or industrial business that qualifies under this article.

B. The Department of Finance shall administer the credit.

C. Real Property Investment Tax Credit Reserve. The Council shall annually establish a real property investment tax credit reserve in the general fund. In any budget year, the total amount

of real property investment tax credits shall not exceed the amount of the real property investment tax credit reserve.

* * *

§ 172-30. Suspension or revocation of tax credit

The tax credit may be suspended or revoked if the recipient fails to meet the definition of "substantial improvement," ~~or~~ fails to meet the minimum requirements for full-time positions or fails to perform any other covenant, term, promise, or representation in the agreement entered into pursuant to § 172-27.

* * *

SECTION TWO: BE IT FURTHER ENACTED, that the title and a summary of this Bill shall be published once on the first publication date after enactment of the Bill in accordance with County Charter § 213 (c). The title is not a substantive part of this Bill. If the Bill is amended, the title may be administratively revised if required to conform the title to the content of the Bill as finally enacted.

SECTION THREE: AND BE IT FURTHER ENACTED, that if any provision of this Bill or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of the Bill which can be given effect without the invalid provision or application, and for this purpose the provisions of this Bill are declared severable.

SECTION FOUR: AND BE IT FURTHER ENACTED, that the Publishers of the *Talbot County Code* or the Talbot County Office of Law, in consultation with and subject to the approval of the County Manager, may make non-substantive corrections to codification, style, capitalization, punctuation, grammar, spelling, and any internal or external reference or citation included in this Bill, as finally adopted, that are incorrect or obsolete, with no further action required by the County Council. All such corrections shall be adequately referenced and described in an editor's note following the section affected.

SECTION FIVE: AND BE IT FURTHER ENACTED, that this ordinance shall take effect sixty (60) days from the date of its passage.

PUBLIC HEARING

Having been posted and Notice of time, date, and place of hearing, and Title of Bill No. 1288 having been published, a public hearing was held on Tuesday, August 12, 2014 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland.

BY THE COUNCIL

Read the third time.

ENACTED: **August 12, 2014**

By Order Susan W. Moran
Susan W. Moran, Secretary

Pack - Aye

Hollis - Aye

Bartlett - Aye

Price - Aye

Duncan - Aye

EFFECTIVE DATE: **October 11, 2014**