

HOUSE BILL 1357

Q2

4lr0732
CF 4lr3232

By: **Howard County Delegation**

Introduced and read first time: February 9, 2024

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Howard County – Payment in Lieu of Taxes Agreements – Moderate Income**
3 **Housing**

4 **Ho. Co. 8–24**

5 FOR the purpose of authorizing certain owners of real property and the governing body of
6 Howard County to enter into payment in lieu of taxes agreements for maintaining a
7 certain number of moderate income housing units at the property; requiring the
8 County Executive of Howard County to publish on the county's website the
9 methodology used to calculate the negotiated payment amount under a payment in
10 lieu of taxes agreement authorized under this Act and to periodically reevaluate the
11 methodology; prohibiting the governing body of Howard County from entering an
12 agreement unless the negotiated payment amount for the agreement was
13 determined in accordance with the methodology most recently published on the
14 county's website; and generally relating to payment in lieu of taxes agreements in
15 Howard County.

16 BY adding to
17 Article – Tax – Property
18 Section 7–521
19 Annotated Code of Maryland
20 (2019 Replacement Volume and 2023 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
22 That the Laws of Maryland read as follows:

23 **Article – Tax – Property**

24 **7–521.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(A) IN THIS SECTION, “MODERATE INCOME” AND “MODERATE INCOME HOUSING UNIT” HAVE THE MEANINGS STATED IN TITLE 13, SUBTITLE 4 OF THE HOWARD COUNTY CODE.

(B) IN HOWARD COUNTY, REAL PROPERTY MAY BE EXEMPT FROM COUNTY PROPERTY TAX IF:

(1) THE OWNER OF THE REAL PROPERTY AND THE GOVERNING BODY OF HOWARD COUNTY AGREE THAT THE OWNER SHALL PAY A NEGOTIATED AMOUNT IN LIEU OF THE COUNTY PROPERTY TAX; AND

(2) THE OWNER OF THE REAL PROPERTY ENTERS INTO AN AGREEMENT WITH THE GOVERNING BODY OF HOWARD COUNTY TO MAINTAIN A NUMBER OF RESIDENTIAL UNITS LOCATED AT THE REAL PROPERTY AS HOUSING FOR MODERATE INCOME HOUSEHOLDS THAT EXCEEDS THE MINIMUM NUMBER OF MODERATE INCOME HOUSING UNITS REQUIRED BY LOCAL ZONING LAWS IN EFFECT ON THE DATE OF THE AGREEMENT.

(C) REAL PROPERTY DESCRIBED IN SUBSECTION (B) OF THIS SECTION IS EXEMPT WHEN THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION ARE MET.

(D) (1) THE COUNTY EXECUTIVE OF HOWARD COUNTY:

(I) SHALL PUBLISH ON THE COUNTY’S WEBSITE THE METHODOLOGY TO BE USED FOR CALCULATING THE NEGOTIATED PAYMENT AMOUNT FOR AN AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION; AND

(II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, MAY REVISE AT ANY TIME THE METHODOLOGY PUBLISHED UNDER THIS PARAGRAPH.

(2) AT LEAST ONCE EVERY 5 YEARS, THE COUNTY EXECUTIVE OF HOWARD COUNTY SHALL REEVALUATE THE METHODOLOGY TO BE USED FOR CALCULATING A NEGOTIATED PAYMENT AMOUNT FOR A POTENTIAL AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION.

(3) IF ANY REVISIONS ARE MADE UNDER PARAGRAPH (1)(II) OR (2) OF THIS SUBSECTION TO THE MOST RECENTLY PUBLISHED METHODOLOGY, THE COUNTY EXECUTIVE OF HOWARD COUNTY SHALL PUBLISH THE REVISED METHODOLOGY ON THE COUNTY’S WEBSITE.

(E) THE GOVERNING BODY OF HOWARD COUNTY MAY NOT ENTER AN AGREEMENT AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION UNLESS THE

1 NEGOTIATED PAYMENT AMOUNT FOR THE AGREEMENT WAS DETERMINED IN
2 ACCORDANCE WITH THE METHODOLOGY MOST RECENTLY PUBLISHED ON THE
3 COUNTY'S WEBSITE.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
5 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.