

Expedited Bill No. 14-16  
Concerning: Taxation – New Jobs Tax  
Credit and Enhanced New Jobs Tax  
Credit – Amount of Tax Credit – Term  
of Credit  
Revised: April 13, 2016 Draft No. 1  
Introduced: April 19, 2016  
Enacted: May 18, 2016  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: None  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Council President at the request of the County Executive

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**AN EXPEDITED ACT** to:

- (1) change the term of the Enhanced New Jobs Tax Credit; and
- (2) generally amend the law governing the Enhanced New Jobs Tax Credit

By amending

Montgomery County Code  
Chapter 52, Taxation  
Article X, New Jobs Tax Credit and Enhanced New Jobs Tax Credit  
Section 52-72

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

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

**Sec. 1. Section 52-72(b) is amended as follows:**

**52-72. Amount of tax credit; pass-through to lessees.**

(a) The new jobs tax credit that a taxpayer may claim against County property taxes under this Article is the following percentage of the property tax imposed on the assessment of the new or expanded premises:

- (1) 52% during the first and second taxable years in which a credit is allowed;
- (2) 39% during the third and fourth taxable years in which a credit is allowed; and
- (3) 26% during the fifth and sixth taxable years in which a credit is allowed.

After the sixth taxable year, the Finance Director must not allow a new jobs tax credit under this Article.

(b) The enhanced new jobs tax credit that a taxpayer may claim against County property taxes under this Article is 58.5% of the property tax imposed on the increase in assessment of:

- (1) the new or expanded premises; and
- (2) any substantially renovated real property adjoining or neighboring the new or expanded premises. A renovation is

substantial for purposes of this subsection if the renovation results in a complete rehabilitation of at least 50% of each building on the property.


The taxpayer may claim this credit in each of the first [12] 24 taxable years after the Director certifies that the taxpayer is eligible for the credit.

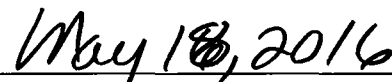
(c) A lessor of real property must reduce the amount of taxes for which an eligible business entity is contractually liable under a lease or rental agreement by the amount of any tax credit allowed under this Article.

## Section 2. Expedited Effective Date

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.

*Approved:*

  
Nancy Floreen, President, County Council

  
Date

*Approved:*

\_\_\_\_\_  
Isiah Leggett, County Executive

\_\_\_\_\_  
Date

*This is a correct copy of Council action.*

\_\_\_\_\_  
Linda L. Lauer, Clerk of the Council

\_\_\_\_\_  
Date