

Expedited Bill No. 22-24
Concerning: Taxation – Collection of
Development Impact Taxes
Revised: 2/4/2025 Draft No. 4
Introduced: October 15, 2024
Enacted: February 4, 2025
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Glass
Co-Sponsors: Councilmembers Luedtke, Fani-González, Katz, Albornoz,
and then-Council President Friedson

AN EXPEDITED ACT to:

- (1) require collection of development impact taxes at final inspection of the building; and
- (2) generally amend the law governing development impact taxes.

By amending

Montgomery County Code
Chapter 52, Taxation
Section 52-42

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

1 **Sec. 1. Section 52-42 is amended as follows:**

2 **52-42. Collection of development impact taxes.**

3 * * *

4 (c) The Department of Permitting Services must not issue a building permit
5 for development that is not exempt from the development impact tax
6 unless:

- 7 (1) the applicant has paid the applicable development impact tax;
- 8 (2) the applicant is entitled to a credit under Section 52-47 in the
9 amount of the applicable development impact tax; [or]
- 10 (3) an appeal has been taken and a bond or other surety posted under
11 Section 52-48[.]; or
- 12 (4) payment is deferred under Section 52-42(l).

13 (d) When a person applies to a municipality in the County for a building
14 permit for a building or dwelling unit, the applicant must show that all
15 payments due under this Section with respect to the building or unit have
16 been paid unless payment is deferred under Section 52-42(l). If payment
17 is deferred under Section 52-42(l), the applicant must submit proof of
18 payment to the municipality once payment has been made. The Director
19 of Finance must promptly refund any payment made for any building or
20 part of a building for which a building permit is not issued by the
21 municipality.

22 * * *

23 (l) Notwithstanding any other provisions of this Chapter, an applicant for a
24 building permit need not pay any development impact tax, Transportation
25 Mitigation Payment, or School Facilities Payment due until the applicant
26 schedules the final inspection of the building by the Department of

27 Permitting Services[:]. Final inspection will not be scheduled until
28 payment is received.

29 [(1) if the building is a single-family detached or attached residential
30 building, the earlier of:

31 (A) the final inspection of the building by the Department of
32 Permitting Services; or

33 (B) 6 months after the building permit is issued; and]

34 [(2) if the building is a multi-family residential or non-residential
35 development, the earlier of:

36 (A) the final inspection of the building by the Department of
37 Permitting Services; or

38 (B) 12 months after the building permit is issued][[.]]

39 * * *

40 **Sec. 2. Expedited Effective Date.** The Council declares that this legislation is
41 necessary for the immediate protection of the public interest. The amendments made
42 in Section 1 [[take effect on January 1, 2025, and]] must apply to any application for a
43 building permit filed on or after January 1, 2025.

Approved:



February 4, 2025

Kate Stewart, President, County Council

Date

Approved:

Marc Elrich, County Executive

Date

This is a correct copy of Council action.

Sara R. Tenenbaum, Clerk of the Council

Date