

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2013 Legislative Session**

Bill No. CB-56-2013  
 Chapter No. 45  
 Proposed and Presented by Council Member Olson  
 Introduced by Council Members Olson, Franklin, Lehman, Turner and Davis  
 Co-Sponsors \_\_\_\_\_  
 Date of Introduction September 24, 2013

**BILL**

1 AN ACT concerning

2 Green Business Real and Personal Property Tax Credit

3 For the purpose of establishing a tax credit for real and personal property used for green business  
 4 and products, and generally relating to green business development in Prince George's County.

5 BY adding:

6 SUBTITLE 10. FINANCE AND TAXATION.

7 Section 10-235.20,

8 The Prince George's County Code

9 (2007 Edition, 2011 Supplement).

10 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,  
 11 Maryland, that Section 10-235.20 of the Prince George's County Code be and the same is hereby  
 12 added:

13 SUBTITLE 10. FINANCE AND TAXATION.

14 DIVISION 8. TAX ASSESSMENT, LEVY AND COLLECTION.

15 **Subdivision 5J. Green Business Real and Personal Property Tax Credit.**

16 **Sec. 10-235.20. Real and Personal Property Tax Credit for Green Businesses.**

17 (a) In accordance with the provisions of Section 9-318 (f) of the Tax-Property Article of  
 18 the Annotated Code of Maryland, there is a tax credit against the property tax imposed on real  
 19 and personal property that is used for a Prince George's based green business that provides green  
 20 products.

21 (b) For the purposes of this section, the following terms have the meanings:

(1) “Green business” means a business, certified by Prince George’s County pursuant to this subdivision, that:

(i) primarily distributes, manufactures, markets, or sells green products;

(ii) primarily provides services relating to green products; or

(ii) primarily provides research and development relating to green products.

(2) “Green product” means a product that:

(i) is energy or water efficient;

(ii) uses healthy, nontoxic materials;

(iii) is made from recycled or renewable resources; or

(iv) makes current products more energy efficient.

(3) “Certified green business” means a business that:

(i) is certified by the appropriate County agency or official in compliance with Section 9-318 (f) of the Tax-Property Article of the Annotated Code of Maryland; or

(ii) meets a green business guideline or standard adopted by the U.S. Government or State of Maryland and recognized by Prince George’s County.

(c) The tax credit under this section against the property tax imposed on personal property is only available when it meets each of the following conditions:

(1) All machinery, equipment, materials, and supplies are subject to a tax credit from property tax if consumed in, or used primarily by a green business for green products;

(2) The partial exemption shall only apply to property purchased in or transferred into the County after July 1, 2013;

(3) The amount of the tax exemption granted herein is equal to fifty percent (50%) of the assessment of the property described in subsection (c)(1), above; and

(4) A property tax credit granted hereunder may not be granted for more than five (5) consecutive years.

(d) The tax credit under this section against the property tax imposed on real property is only available when it meets each of the following conditions:

(1) The portion of the property upon which the tax credit is based is leased, occupied and used exclusively by the green business;

(2) The green business is contractually liable to the owner for property taxes; and

1           (3) The owner of the property eligible for a tax credit pursuant to this section is  
 2 contractually obligated to reduce, by the amount of the tax credit, the amount of taxes for which  
 3 the green business is otherwise contractually liable.

4           (e) For the first tax year in which the green business applies, the real property tax credit  
 5 shall be in an amount equal to one hundred percent (100%) of the amount of the County property  
 6 tax imposed on the real property as determined by the Supervisor of Assessment. The tax credit  
 7 shall be reduced to eighty percent (80%) in the second taxable year, sixty percent (60%) in the  
 8 third taxable year, forty percent (40%) in the fourth taxable year, twenty percent (20%) in the  
 9 fifth taxable year and zero percent (0%) each taxable year thereafter. If the subject real property  
 10 is leased to an eligible green business, the lessor shall reduce by the amount of the tax credit  
 11 computed under this Section the taxes for which the eligible green business is contractually liable  
 12 under a lease agreement. A real property tax credit granted hereunder may not be granted for  
 13 more than five (5) consecutive years.

14           (f) A real or personal property tax credit shall not be granted under this Section if the real  
 15 or personal property have otherwise been granted a tax credit or exemption under the Tax-  
 16 Property Article, Annotated Code of Maryland or the County Code for the taxable year;

17           (g) Application for the tax credit established herein shall be made under oath on an  
 18 application provided by the Director of Finance. The application shall provide a legal  
 19 description of the property, proof of a properly issued use and occupancy permit applicable to the  
 20 eligible property, and such other information or documentation as the Director may require to  
 21 determine whether the applicant can qualify for the tax credit.

22           (h) During the fiscal year, the total of all tax credits granted under this section shall not  
 23 exceed \$1,000,000. Tax credits shall be granted in the order in which the Office of Finance  
 24 receives the complete application under subsection (g) of the section. If a complete application  
 25 granted would cause the limit set in this subsection to be exceeded, the tax credit shall be granted  
 26 in the next fiscal year or years and in the order received.

27           (i) The Director of Finance shall determine the eligibility of the taxpayer for the tax credit  
 28 and notify the State Department of Assessments and Taxation that a taxpayer has been approved  
 29 for the property tax credit and the assessed value of the premises.

30           (j) The Director of Finance shall verify that the taxpayer continues to satisfy the  
 31 applicable thresholds to qualify for the property tax credit by requiring submission of reports by

1     the taxpayer, as the Director deems necessary.

2     (k) The Director of Finance shall provide an annual report to the County Council on the  
3     green business real and personal property tax credit on or before December 31st of each year for  
4     the previous fiscal year, to include:

5         (1) the number of applications received;

6         (2) the number of applications denied;

7         (3) the amount of tax credits approved; and

8         (4) the location by Councilmanic district of the number of applications received,  
9     denied and the amount of tax credit approved.

10       SECTION 2. BE IT FURTHER ENACTED that the provisions of this Act are hereby  
11     declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph,  
12     sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of  
13     competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining  
14     words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this  
15     Act, since the same would have been enacted without the incorporation in this Act of any such  
16     invalid or unconstitutional word, phrase, clause, sentence, subparagraph, subsection, or section.

17       SECTION 3. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)  
18     calendar days after it becomes law.

Adopted this 22nd day of October, 2013.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Andrea C. Harrison  
Chair

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
Rushern L. Baker, III  
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks \*\*\* indicate intervening existing Code provisions that remain unchanged.