

## Prince George's County Council Agenda Item Summary

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**Meeting Date:** 11/18/2008  
**Reference No.:** CB-066-2008  
**Draft No.:** 2  
**Proposer(s):** Dernoga  
**Sponsor(s):** Dernoga, Bland, Olson  
**Item Title:** An Act granting a tax credit against property taxes imposed on agricultural land subject to State or County agricultural land preservation programs.

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**Drafter:** Colette R. Gresham, Legislative Officer  
**Resource Personnel:** Judith U. Thacher, Legislative Aide

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### LEGISLATIVE HISTORY:

<b>Date Presented:</b>	9/23/2008	<b>Executive Action:</b>	11/24/2008 S
<b>Committee Referral:</b>	9/23/2008 - PSFM	<b>Effective Date:</b>	1/12/2009

**Committee Action:** 10/14/2008 - FAV(A)

**Date Introduced:** 10/21/2008  
**Public Hearing:** 11/18/2008 - 10:00 AM

**Council Action (1)** 11/18/2008 - ENACTED  
**Council Votes:** MB:A, WC:A, SHD:A, TD:A, CE:A, AH:A, TK:A, EO:A, IT:A  
**Pass/Fail:** P  
**Remarks:**

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### AFFECTED CODE SECTIONS:

10-231.04

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### COMMITTEE REPORTS:

#### PUBLIC SAFETY AND FISCAL MANAGEMENT

**Date 10/14/2008**

Committee vote: Favorable as amended, 5-0, (In favor: Councilmembers Knotts, Campos, Dean, Exum and Turner.)

This bill will establish a tax credit against property taxes imposed on agricultural land subject to State or County agricultural land preservation programs. The proposed tax credit is to be applied against the full amount of the County property tax.

The tax credit is applicable beginning with the taxable year July 1, 2009, provided the application is filed with the Director of Finance on or before October 1 of each taxable year.

According to the Department of Legislative Services' reports in FY2008, there are approximately 1,675 acres of agricultural land in Prince George's County that are currently subject to a State or local conservation easement.

The legislation was amended on page 2, line 8, by inserting the following:

- (d) During the fiscal year, the total of all tax credits granted under this section shall not exceed \$250,000. Tax

credits shall be granted in the order in which the Office of Finance receives the complete application under subsection (c) of the section. If a complete application granted would cause the limit set in this subsection to be exceeded, the tax credit shall be granted in the next fiscal year or years and in the order received.

The Office of Law has reviewed this bill and finds it to be in proper legislative form with no legal impediments to its enactment.

The enactment of CB-66-2008 will have a negative fiscal impact on the County. The estimated tax credit would decrease the County property tax revenues by \$12,695 in FY2010, \$14,344 in FY2011, \$15,993 in FY2012 and \$17,642 in FY2013.

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**BACKGROUND INFORMATION/FISCAL IMPACT:**

(Includes reason for proposal, as well as any unique statutory requirements)

Section 9-318(b)(1)(viii), Tax-Property Article, Annotated Code of Maryland authorizes the County to grant a property tax credit to agricultural land subject to certain circumstances. The proposed credit is only available against agricultural land, including any farm improvement used in connection with an activity that is recognized by the State Department of Assessments and Taxation as an approved agricultural activity, that is subject to State or County agricultural land preservation programs. The Department of Legislative Services reports in a 2008 Fiscal and Policy Note for HB 1018 that approximately 1,675 acres of agricultural land in the County are currently subject to a State or local conservation easement.

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**CODE INDEX TOPICS:**

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**INCLUSION FILES:**

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