



Senate Bill 605

Property Tax Credit - Commercial Structures - Rehabilitation

MACo Position: **SUPPORT**

To: Ways and Means Committee

Date: April 1, 2014

From: Andrea Mansfield

The Maryland Association of Counties (MACo) **SUPPORTS** Senate Bill 605 as amended. This bill would establish a local option tax credit for the rehabilitation of an upper story of a building to bring the building into compliance with building and safety codes.

As introduced, MACo was concerned with the prescriptive nature of the credit. Although a local government had the authority to specify some criteria for the credit, SB 605 required the amount of the credit to be 50% of the amount of the qualifying investment in a structure and that the credit be granted for a 10 year period.

MACo offered amendments that have been incorporated into the bill to give local governments greater flexibility to determine the amount of the credit and the duration. The amendments specify that the amount of the credit may be up to 50% of the amount of qualifying investment and that the credit may be granted for up to a period of 10 years.

MACo **SUPPORTS** SB 605 as amended by the Senate and urges the Committee to give the bill a **FAVORABLE** report.