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COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

Legislative Session

1993

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Bill No. \_\_\_\_\_ CB-37-

1993

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Chapter No.

38

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Proposed and Presented by \_\_\_\_\_ Council Member

Wineland

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Introduced by \_\_\_\_\_ Council Members Wineland and

Castaldi

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Co-Sponsors

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Date of Introduction \_\_\_\_\_ June 8,

1993

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**BILL**

AN ACT concerning

Property Tax Credits

For the purpose of authorizing a tax credit against certain property taxes imposed on property leased, occupied, and used by certain religious groups for certain purposes under certain circumstances; limiting the application of the credit; and generally relating to property tax credits granted to religious organizations.

BY adding:

SUBTITLE 10. FINANCE AND TAXATION.

DIVISION 8. TAX ASSESSMENT, LEVY, AND  
COLLECTION.

Subdivision 6C. Religious Organization  
Leased Property Tax Credit.

Section 10-241.03,

The Prince George's County Code  
(1991 Edition).

SECTION 1. BE IT ENACTED by the County Council of Prince  
George's County, Maryland, that Section 10-241.03 of the Prince  
George's County Code be and the same is hereby added:

SUBTITLE 10. FINANCE AND TAXATION.

DIVISION 8. TAX ASSESSMENT, LEVY, AND COLLECTION.

Subdivision 6C. Religious Organization Leased Property Tax  
Credit.

Sec. 10-241.03. Tax credits for property leased by religious  
organizations.

(a) In accordance with the provisions of Section 9-222 of  
the Tax- Property Article of the Annotated Code of Maryland,  
there is a tax credit against the property tax imposed on real  
property for that portion of the property that is leased,  
occupied, and used by a religious group or organization and  
which meets each of the following conditions:

(1) The religious group or organization would qualify  
for a property tax exemption under Section 7-204 of the Tax-

Property Article.

(2) The religious group or organization shall have a verifiable tax-exempt, nonprofit status from the United States Internal Revenue Service.

(3) The portion of the property upon which the tax credit is based is used exclusively for:

- (A) Public religious worship;
- (B) Educational purposes; or
- (C) Office space necessary to support or maintain public religious worship or educational purposes.

(4) The property upon which the tax credit is based is not leased, occupied, or used for the purpose of making a profit.

(5) The religious group or organization is contractually liable to the owner for property taxes.

(6) The owner of the property eligible for a tax credit pursuant to this Section is contractually obligated to reduce, by the amount of the tax credit, the amount of taxes for which the religious group or organization is otherwise contractually liable.

(7) The property is located in a commercial zone.

(b) The amount of the tax credit shall be the full amount of property tax imposed pursuant to Section 6-202 of the Tax-Property Article of the Annotated Code of Maryland by Prince George's County on that portion of real property leased by a religious group or organization which meets the conditions of

this Section. The amount of the tax credit shall not exceed the amount of the tax for which the religious group or organization is contractually liable. Tax credits shall be available on an annual tax year basis.

(c) An application for the tax credit shall be submitted to the Supervisor of Assessments and Taxation in Prince George's County and shall be signed under oath by both the owner of the real property and the religious group or organization which is or will become the lessee. A copy of the executed lease between the property owner and the lessee shall be submitted with the application.

(1) Applications for the tax credit shall be submitted to the Supervisor of Assessments and Taxation no later than April 1 prior to the tax year for which the credit is being requested.

(2) The Supervisor of Assessments and Taxation will determine:

(A) Whether the lessee qualifies as an exempt organization under Section 7-204 of the Tax-Property Article of the Annotated Code of Maryland; and

(B) The amount of the assessed value attributable to the portion of the property used by the religious group or organization for qualifying purposes.

(3) After the Supervisor of Assessments and Taxation has made a determination, the owner, lessee, and the Director of Finance shall be notified whether the lessee qualifies as an

exempt organization and the amount of the assessed value upon which the tax credit will be based.

(4) The Director of Finance shall determine the amount of the tax credit and place a credit on the appropriate account.

(d) The Supervisor of Assessments and Taxation is authorized to develop an application form and establish procedures to administer the tax credit established in this Section.

(e) An owner of real property who has applied for the tax credit established in this Section may appeal to the Maryland Tax Court the denial of the tax credit or the determination of the amount of the assessed value upon which the tax credit will be based if notice of the appeal is made within 30 days of the decision of the Supervisor of Assessments and Taxation.

(f) Entitlement to the tax credit shall terminate when the religious group or organization no longer occupies the property or when the use of the property no longer meets any of the conditions of this Section. Upon termination of the lease or the cessation of possession by the tenant, the owner shall notify the Supervisor of Assessments and Taxation within thirty (30) days of such event. When the Supervisor of Assessments and Taxation has determined that the entitlement has ceased, the tax exemption shall be removed from the property.

SECTION 2. BE IT FURTHER ENACTED that this Act shall be retroactively effective on July 1, 1993.

Adopted this 13th day of July, 1993.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY:

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Hilda R. Pemberton  
Chairwoman

ATTEST:

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Joyce T. Sweeney  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_  
\_\_\_\_\_

BY:

Parris N. Glendening  
County Executive

KEY:

Underscoring indicates language added to existing law.