

Chris Kaselemis, Director

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Commissioners of St. Mary's County will hold a Public Hearing on Tuesday, March 19, 2019, at 9:10 a.m. in the Chesapeake Building located at 41770 Baldrige Street in Leonardtown, Maryland to consider amending Ordinance, St. Mary's New and Expanding Business Tax Credit.

Citizens are encouraged to attend and participate in the public hearing.

Note that as a result of the evidence and comments made at the public hearing, amendments may be made to the proposed Ordinance.

Written comments, questions, and suggestions may be submitted up to 7 days after the public hearing to: Commissioners of St. Mary's County, P.O. Box 653, Leonardtown, MD 20650.

Copies of the proposed Ordinance are available in the Department of Economic Development in the Potomac Building at the St. Mary's County Governmental Center and at www.stmarysmd.com.

Any reasonable accommodation for persons with disabilities should be requested by contacting the St. Mary's County Public Information Officer at (301) 475-4200, ext. *1324.

COMMISSIONERS OF ST. MARY'S COUNTY

By: Chris Kaselemis

For publication as a legal notice in the *Enterprise* on March 1, 2019 and March 8, 2019.

Subject: Finance - To Amend Chapter 267 of the
Code of St. Mary's County, Maryland,
 to Grant a Tax Credit for Certain New
 or Expanding Businesses

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ORDINANCE

TO AMEND CHAPTER 267 OF THE *CODE OF ST. MARY'S COUNTY, MARYLAND,* TO GRANT A TAX CREDIT FOR CERTAIN NEW OR EXPANDING BUSINESSES

WHEREAS, pursuant to §9-320(d) of the *Tax-Property Article* of the *Annotated Code of Maryland,* to encourage the location and development of business operations and expansion of the employment base in St. Mary's County, the Commissioners of St. Mary's County may grant, by law, a property tax credit against the county property tax imposed on any property owned or leased by a new or expanding business that creates ten (10) or more full-time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission; and

WHEREAS, a notice of a public hearing was advertised on February 10, 2017, and February 17, 2017, in *The Enterprise,* a newspaper of general circulation in St. Mary's County, and a public hearing was held on February 28, 2017, to receive public comment and consider the amendment of Chapter 267 of the *Code of St. Mary's County, Maryland,* grant a property tax credit against the county property tax imposed on any property owned or leased by a new or expanding business that creates ten (10) or more full-time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission; and

WHEREAS, the Commissioners of St. Mary's County find that it is in the best interest of the health, safety and welfare of the citizens of St. Mary's County to amend Chapter 267 of the *Code of St. Mary's County, Maryland,* to grant a property tax credit against the county property tax imposed on any property owned or leased by a new or expanding business that creates ten (10) or more full-time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission.

NOW, THEREFORE, BE IT ORDAINED by the Commissioners of St. Mary's County, pursuant to §9-320(d) of the *Tax-Property Article* of the *Annotated Code of Maryland,* that:

SECTION I. Article XXIX of Section 267 of the *Code of St. Mary's County, Maryland,* is enacted to read as follows:

Article XXIX. - PROPERTY TAX CREDIT FOR NEW OR EXPANDING BUSINESS

Sec. 267-74. - Credits established; amount; when applicable.

- (a) An industry targeted for expansion by the St. Mary's County Economic Development Commission is eligible for a tax credit as provided herein.

Subject: Finance - To Amend Chapter 267 of the Code of St. Mary's County, Maryland, to Grant a Tax Credit for Certain New or Expanding Businesses

- (b) A credit shall be allowed to a person or entity that employs ten (10) or more new employees within three (3) years of the date of an application pursuant to Section 267-75.
- (c) The credit shall be allowed against the real and personal property tax on property owned or leased by the employer and assessed as commercial.
- (d) The credit allowed against the tax imposed on real and personal property shall be equal to 2.25% of the estimated St. Mary's County personal income tax to be collected from the new employees.
- (e) The credit shall be allowed in the first County fiscal year after which the employer becomes eligible and shall be allowed each year in which the employer maintains eligibility for a period not to exceed ten (10) years as set forth in paragraph (g).
- (f) An additional credit shall be allowed to the employer that constructs new improvements to real property or acquires personal property by sale or lease, either or both of which are eligible for depreciation under the Internal Revenue Code. The credit shall be equal to 50% of the real or personal property tax imposed on qualified property. The credit shall be allowed in the first County fiscal year in which the employer depreciates the property and shall be allowed each year in which the employer maintains eligibility for a period not to exceed ten (10) years as set forth in paragraph (g).
- (g)

Number of New Employees	Number of Years Credit Allowed
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10 - 15	5
16 - 25	8
26 or more	10

Sec. 267-75. - Administration.

- (a) On or before April 1 of each year a person or entity seeking a credit pursuant to Section 267-74 shall file an application for certification with the Director of the St. Mary's County Department of Economic Development.
- (b) The application shall provide all information required by the Director to establish the eligibility of the applicant.
- (c) The Director shall present the application to the Commissioners of St. Mary's County, who may approve, disapprove or table the application.
- (d) On or before May 1 of each year the Director shall certify to the St. Mary's County Treasurer the identity of persons and entities eligible for a credit pursuant to Section 267-74 and the amounts of such credits.
- (e) The Director may adopt rules and regulations for the administration of this Article.

Subject: Finance - To Amend Chapter 267 of the Code of St. Mary's County, Maryland, to Grant a Tax Credit for Certain New or Expanding Businesses

SECTION II. This Ordinance shall be effective upon the date written below.

Those voting Aye: 5

Those voting Nay: 0

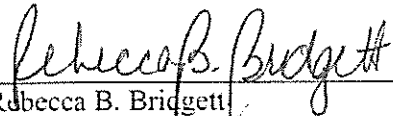
Those Abstaining: 0

Date of Adoption: 3/28/17

Effective Date: 4/11/17

ATTEST:

COMMISSIONERS OF ST. MARY'S COUNTY



 Rebecca B. Bridgett
 County Administrator



 James R. Guy, Commissioner President

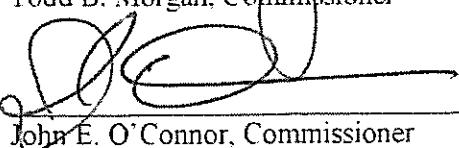

 Michael L. Hewitt, Commissioner

Approved as to form and legal sufficiency:


 Tom Jarboe, Commissioner


 George R. Sparling
 County Attorney


 Todd B. Morgan, Commissioner


 John E. O'Connor, Commissioner

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ORDINANCE

TO AMEND CHAPTER 267 OF THE CODE OF ST. MARY'S COUNTY, MARYLAND, TO GRANT A TAX CREDIT FOR CERTAIN NEW OR EXPANDING BUSINESSES

WHEREAS, pursuant to §9-320(d) of the *Tax-Property Article* of the *Annotated Code of Maryland*, to encourage the location and development of business operations and expansion of the employment base in St. Mary's County, the Commissioners of St. Mary's County adopted Ordinance 2017-05, which allows a property tax credit against the county property tax imposed on any property owned or leased by a new or expanding business that creates ten (10) or more full-time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission; and

WHEREAS, the Commissioners of St. Mary's County would like to amend Ordinance 2017-05 to simplify the method used to determine the dollar value of a firm's property tax credit; and

WHEREAS, a notice of a public hearing was advertised on _____, 2019, and _____, 2019, in *The Enterprise*, a newspaper of general circulation in St. Mary's County, and a public hearing was held on _____, 2019, to receive public comment and consider the amendment of Chapter 267 of the *Code of St. Mary's County, Maryland*, grant a property tax credit against the county property tax imposed on any property owned or leased by a new or expanding business that creates ten (10) or more full-time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission; and

WHEREAS, the Commissioners of St. Mary's County find that it is in the best interest of the health, safety and welfare of the citizens of St. Mary's County to amend Chapter 267 of the *Code of St. Mary's County, Maryland*, to repeal and re-enact the Ordinance granting a property tax credit against the county property tax imposed on any property owned or leased by a new or expanding business that creates ten (10) or more full-time jobs in an industry targeted for expansion by the St. Mary's County Economic Development Commission,

NOW, THEREFORE, BE IT ORDAINED by the Commissioners of St. Mary's County, pursuant to §9-320(d) of the *Tax-Property Article* of the *Annotated Code of Maryland*, that:

SECTION I. Article XXIX of Section 267 of the *Code of St. Mary's County, Maryland*, is repealed and re-enacted to read as follows:

Article XXIX. - PROPERTY TAX CREDIT FOR NEW OR EXPANDING BUSINESS

Subject: Finance - To Amend Chapter 267 of the Code of St. Mary's County, Maryland, to Grant a Tax Credit for Certain New or Expanding Businesses

Sec. 267-74. - Credits established; amount; when applicable.

- (a) An industry targeted for expansion by the St. Mary's County Economic Development Commission is eligible for a tax credit as provided herein.
- (b) A credit shall be allowed to a person or entity that employs ten (10) or more new employees within three (3) years of the date of an application pursuant to Section 267-75.
- (c) The credit shall be allowed against the real and personal property tax on property owned or leased by the employer and assessed as commercial.
- (d) **The credit allowed against the tax imposed on real and personal property shall be \$5,000 per year for businesses that create 10 to 15 jobs; \$8,000 per year for businesses that create 16 to 25 jobs, and \$10,000 per year for businesses that create 26 or more jobs per year.**
- (e) The credit shall be allowed in the first County fiscal year after which the employer becomes eligible and shall be allowed each year in which the employer maintains eligibility for a period not to exceed ten (10) years as set forth in paragraph (g).
- (f) An additional credit shall be allowed to the employer that constructs new improvements to real property or acquires personal property by sale or lease, either or both of which are eligible for depreciation under the Internal Revenue Code. The credit shall be equal to 50% of the real or personal property tax imposed on qualified property. The credit shall be allowed in the first County fiscal year in which the employer depreciates the property and shall be allowed each year in which the employer maintains eligibility for a period not to exceed ten (10) years as set forth in paragraph (g).

(g)

Number of New Employees	Number of Years Credit Allowed
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10 – 15	5
16 – 25	8
26 or more	10

Sec. 267-75. - Administration.

- (a) On or before April 1 of each year a person or entity seeking a credit pursuant to Section 267-74 shall file an application for certification with the Director of the St. Mary's County Department of Economic Development.
- (b) The application shall provide all information required by the Director to establish the eligibility of the applicant.

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- (c) The Director shall present the application to the Commissioners of St. Mary's County, who may approve, disapprove or table the application.
- (d) On or before May 1 of each year the Director shall certify to the St. Mary's County Treasurer the identity of persons and entities eligible for a credit pursuant to Section 267-74 and the amounts of such credits.
- (e) The Director may adopt rules and regulations for the administration of this Article.

SECTION II. This Ordinance shall be effective upon the date written below.

Those voting Aye: _____

Those voting Nay: _____

Those Abstaining: _____

Date of Adoption: _____

Effective Date: _____

ATTEST:

COMMISSIONERS OF ST. MARY'S COUNTY

Rebecca B. Bridgett
County Administrator

James R. Guy, Commissioner President

Eric Colvin, Commissioner

Approved as to form and legal
sufficiency:

Michael L. Hewitt, Commissioner

David A. Weiskopf
County Attorney

Todd B. Morgan, Commissioner

John E. O'Connor, Commissioner