

SENATE BILL 756

Q1

EMERGENCY BILL
ENROLLED BILL

(6lr3400)

— *Budget and Taxation / Ways and Means* —

Introduced by **Senator McCray (By Request – Baltimore City Administration)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Economic Development Project in Downtown RISE District –**
3 **Payment in Lieu of Taxes**

4 FOR the purpose of exempting an economic development project located in a certain area
5 of downtown Baltimore City from Baltimore City property taxes if the owner of the
6 economic development project and the Baltimore City Board of Estimates enter into
7 a payment in lieu of taxes agreement and certain other requirements are met; and
8 generally relating to a payment in lieu of taxes agreement for an economic
9 development project in downtown Baltimore City.

10 BY adding to

11 Article – Tax – Property

12 Section 7–504.5

13 Annotated Code of Maryland

14 (2019 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Tax – Property**

4 **7-504.5.**

5 (A) IN THIS SECTION, “ECONOMIC DEVELOPMENT PROJECT” MEANS A REAL
6 ESTATE DEVELOPMENT PROJECT THAT CONSISTS OF NEWLY CONSTRUCTED OR
7 REHABILITATED COMMERCIAL OR MULTIFAMILY RESIDENTIAL PROPERTY IF THE
8 REAL ESTATE DEVELOPMENT PROJECT:

9 (1) EXISTS WITHIN THE DOWNTOWN RISE DISTRICT AS DESCRIBED
10 IN SUBSECTION (B) OF THIS SECTION; AND

11 (2) INCLUDES AT LEAST ONE OF THE FOLLOWING:

12 (I) A HOTEL;

13 (II) AN OFFICE BUILDING;

14 (III) A RETAIL FACILITY;

15 (IV) A MULTIFAMILY RESIDENTIAL FACILITY; OR

16 (V) A MIXED-USE FACILITY THAT CONTAINS ONE OR MORE OF
17 THE FACILITIES DESCRIBED IN ITEMS (I) THROUGH (IV) OF THIS ITEM.

18 (B) THE DOWNTOWN RISE DISTRICT CONSISTS OF:

19 (1) WARD 4, PRECINCT 1;

20 (2) WARD 4, PRECINCT 2;

21 (3) WARD 4, PRECINCT 3;

22 (4) WARD 22, PRECINCT 1;

23 (5) WARD 22, PRECINCT 2; AND

24 (6) WARD 21, PRECINCT 5.

25 (C) AN ECONOMIC DEVELOPMENT PROJECT IS EXEMPT OR PARTIALLY
26 EXEMPT FROM BALTIMORE CITY REAL PROPERTY TAX IF:

1 **(1) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT**
2 **DEMONSTRATES TO THE SATISFACTION OF THE BALTIMORE CITY BOARD OF**
3 **ESTIMATES THAT THE CITY OF BALTIMORE OR ITS DESIGNATED AGENCY HAS**
4 **CONDUCTED AN ECONOMIC ANALYSIS OF THE PROJECT, INCLUDING AN**
5 **ASSESSMENT OF THE FINANCIAL NECESSITY FOR AN EXEMPTION AS AUTHORIZED**
6 **UNDER THIS SECTION; AND**

7 **(2) THE OWNER OF THE ECONOMIC DEVELOPMENT PROJECT AND THE**
8 **BALTIMORE CITY BOARD OF ESTIMATES ENTER INTO A PAYMENT IN LIEU OF TAXES**
9 **AGREEMENT SPECIFYING THE AMOUNT THAT THE OWNER SHALL PAY TO**
10 **BALTIMORE CITY EACH YEAR IN LIEU OF BALTIMORE CITY PROPERTY TAXES**
11 **DURING THE TERM OF THE AGREEMENT.**

12 **(D) TO BE ELIGIBLE FOR A PAYMENT IN LIEU OF TAXES AGREEMENT UNDER**
13 **THIS SECTION, THE OWNER OF AN ECONOMIC DEVELOPMENT PROJECT SHALL, ON**
14 **OR BEFORE JUNE 30, 2036:**

15 **(1) APPLY TO ENTER INTO A PAYMENT IN LIEU OF TAXES AGREEMENT;**

16 **(2) HAVE BUILDING PERMITS ISSUED; AND**

17 **(3) HAVE SATISFIED OR WAIVED ALL CONDITIONS FOR THE**
18 **FINANCING REQUIRED FOR THE CONSTRUCTION OF THE PROJECT.**

19 **(E) ON OR BEFORE JANUARY 1 EACH YEAR, THE CITY OF BALTIMORE OR**
20 **ITS DESIGNATED AGENCY SHALL REPORT TO THE PRESIDENT OF THE CITY COUNCIL**
21 **OF BALTIMORE AND, SUBJECT TO § 2-1257 OF THE STATE GOVERNMENT ARTICLE,**
22 **THE GENERAL ASSEMBLY:**

23 **(1) A DESCRIPTION OF EACH ECONOMIC DEVELOPMENT PROJECT**
24 **FOR WHICH THE CITY OF BALTIMORE ENTERED INTO A PAYMENT IN LIEU OF TAXES**
25 **AGREEMENT UNDER THIS SECTION DURING THE PRECEDING FISCAL YEAR,**
26 **INCLUDING A STATEMENT OF THE ANALYSIS OF THE PROJECT DESCRIBED IN**
27 **SUBSECTION (C)(1) OF THIS SECTION; AND**

28 **(2) FOR THOSE ECONOMIC DEVELOPMENT PROJECTS THAT HAVE A**
29 **PAYMENT IN LIEU OF TAXES AGREEMENT UNDER THIS SECTION, AND FOR WHICH**
30 **CONSTRUCTION OR REHABILITATION HAS BEEN COMPLETED:**

31 **(I) THE NUMBER AND TYPES OF JOBS CREATED DURING THE**
32 **PRECEDING FISCAL YEAR AND ESTIMATED TO BE CREATED DURING THE FOLLOWING**
33 **FISCAL YEAR;**

1 (II) THE TOTAL TAXES THAT THE PROJECT IS ESTIMATED TO
2 HAVE GENERATED, DIRECTLY AND INDIRECTLY, FOR THE CITY OF BALTIMORE
3 DURING THE PRECEDING FISCAL YEAR AND ESTIMATED TO BE GENERATED DURING
4 THE FOLLOWING FISCAL YEAR; AND

5 (III) ANY OTHER ECONOMIC BENEFITS OF THE PROJECT.

6 ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July~~
7 ~~1, 2026.~~

8 SECTION 2. AND BE IT FURTHER ENACTED, That a payment in lieu of taxes
9 agreement entered into under § 7-504.5 of the Tax – Property Article as enacted by Section
10 1 of this Act before the termination of Section 1 of this Act shall remain in effect for the
11 duration of the agreement.

12 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
13 measure, is necessary for the immediate preservation of the public health or safety, has
14 been passed by a yea and nay vote supported by three-fifths of all the members elected to
15 each of the two Houses of the General Assembly, and shall take effect from the date it is
16 enacted. ~~It~~ Section 1 of this Act shall remain effective for a period of 10 years from the date
17 it is enacted and, at the end of the 10-year period, Section 1 of this Act, with no further
18 action required by the General Assembly, shall be abrogated and of no further force and
19 effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.