



Bill No. 23-16

Concerning: Commercial and Industrial Tax Credit

Introduced August 8, 2023

Revised: _____ Draft No. _____

Enacted: _____

Effective: _____

Expires: November 6, 2023

Frederick County Code, Chapter 1-8

Section(s) 442, 444

COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

By: Council Member Mason Carter

AN ACT to: Amend the Commercial and Industrial Business Tax Credit to change the amount of the tax credit.

Date Council Approved: _____ Date Transmitted to Executive: _____

Executive: _____ Date Received: _____

Approved: _____ Date: _____

Vetoed: _____ Date: _____

Date returned to Council by County Executive with no action: _____

By amending:

Frederick County Code, 1-8 Section(s) 442, 444

Other: _____

Boldface

Underlining

[Single boldface brackets]

Heading or defined term.

Added to existing law.

Deleted from existing law.

Existing law unaffected by bill.

1 Bill No. 23-16

2 The County Council of Frederick County, Maryland, finds it necessary and appropriate to
3 amend the Frederick County Code to amend Article XIII: Commercial and Industrial Tax Credit
4 of the Frederick County Code.

5
6 NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF
7 FREDERICK COUNTY, MARYLAND, that the Frederick County Code be, and it is hereby,
8 amended as shown on the attached Exhibit 1.

9
10
11
12
13 _____
14 Brad W. Young, President
15 County Council of Frederick County,
16 Maryland

1
2 **§ 1-8-442 DEFINITIONS.**

3
4 **COMMERCIAL OR INDUSTRIAL BUSINESS.** A person that conducts manufacturing,
5 fabricating or assembling operations within Frederick County.
6

7 **FACILITY.** The property within Frederick County that is either developed or expanded for
8 manufacturing, fabricating or assembling purposes and for which this tax credit is sought.
9

10 **SUBSTANTIAL INVESTMENT.**

- 11 (1) The acquisition or expansion of a building, land or equipment for manufacturing,
12 fabricating or assembling purposes within Frederick County that totals a new investment
13 of at least \$1,500,000 [~~\$5,000,000~~] and
14
- 15 (2) The creation of at least 3 [~~25~~] new permanent full time positions at the facility [~~paying at~~
16 ~~least 150% of the federal minimum wage~~] paying at least 150% of the state minimum
17 wage and which positions may not have been transferred to the facility from another
18 location in Frederick County.
19

20 **TAX CREDIT AGREEMENT.** An agreement entered into with the county by the commercial
21 or industrial business responsible for the facility which sets forth reporting and other
22 administrative requirements and conditions with which, in the County Executive's discretion, the
23 commercial or industrial business and facility must comply to receive this tax credit.
24

25 ***

26
27 **§ 1-8-444 AMOUNT AND DURATION OF CREDIT.**

- 28 (A) A facility shall be eligible for this commercial and industrial business tax credit for a term
29 not to exceed ten consecutive years after first qualifying for this property tax credit. The
30 first tax year the tax credit shall become available for a qualifying facility shall be the first
31 full tax year in which its county property taxes would increase due to the substantial
32 investment in new construction or an improvement to an existing facility (the "first tax
33 year"). The last tax year this property tax credit shall be available shall be the tenth tax
34 year that follows the increase in county real property tax due to the substantial investment
35 in the facility.
36
- 37 (B) The County Executive shall establish the term [~~and amount~~] of each tax credit granted
38 under this Article [~~the County Executive believes is in Frederick County's best interest,~~
39 ~~in an amount expressed as a percent of the additional Frederick County real property tax~~
40 ~~imposed as a result of an increase in assessment due to the new construction or expansion~~
41 ~~of a qualifying facility (the "incremental tax"). In the event the average amount of the~~
42 ~~credit over the term of the credit would exceed 60% of total incremental tax, the tax credit~~
43 ~~must be reviewed and approved by the County Council before the tax credit is granted].~~
44

Underlining indicates matter added to existing law.
[Single boldface brackets] indicates matter deleted from existing law.
*** - indicates existing law unaffected by bill.

