

Caroline County, MD
Tuesday, September 3, 2013

Chapter 166. TAXATION

Article II. Real Property Tax Credits for Manufacturers

[Adopted 11-21-1989 as Bill No. 89-1]

§ 166-11. Tax credit established; purpose.

A manufacturer's tax credit is hereby established for Caroline County, Maryland, as authorized by the Tax-Property Article of the Annotated Code of Maryland, for the purpose of promoting expansion and development and improving the local economy.

§ 166-12. Eligibility.

Manufacturing, fabricating and assembling facilities are eligible to receive the tax credit. Eligible applicants who fully meet and comply with the criteria and conditions referred to and set forth in this Article shall be granted a mandatory tax credit.

§ 166-13. Amount of credit.

The tax credit shall be equal to 100% of the real property tax attributable to the increased assessable value of facility expansion or new construction for a period of five consecutive years, contingent upon annual recertification.

§ 166-14. Requirements.

Notwithstanding any other provisions of this Article, the credit shall be granted only if all the following conditions are met:

- A. The assessed value of the expansion or new construction shall be greater than \$50,000.
- B. The applicant, by reason of said expansion or new construction, creates at least 15 additional full-time positions and hires at least 15 additional full-time employees to work at the facility location where the expansion or new construction has taken place, as described in the application for credit. In the event that an applicant relocates an existing business from one place in Caroline County to another place in Caroline County, relocated employees cannot be counted as additional employees, even if the nature of manufacture changes.
- C. The 15 additional employees shall each receive at least the current federal mandatory minimum wage, to be substantiated by the amount of annual aggregate payroll for these employees.

- D. The employer shall have in place a basic employee benefit plan including medical insurance, provision for leave and pension for all full-time employees.

§ 166-15. Filing an application.

- A. An application for tax credit must be filed with the County Commissioners by the owner of the property or the owner's authorized representative. An applicant must, within one year of placement of the expanded or newly constructed facility on the Caroline County tax roll prepared by the Maryland Department of Assessments and Taxation, both meet the requirements of this Article for the granting of a credit and file the necessary application with the Commissioners. An application will not be considered filed until all requested information has been supplied. The Commissioners shall expeditiously approve or deny filed applications, and approval shall constitute granting of the credit.
- B. All applications shall be on a form supplied by the County Commissioners. The information furnished on the application shall be given under oath and shall include a statement that, to the best knowledge, information and belief of the applicant, the requirements of this Article will continue to be met throughout the period for which credit is sought.
- C. The application for a credit on leased property shall be executed by the lessor and by the lessee and shall be accompanied by an affidavit or other proof acceptable to the County Commissioners that the lessee, pursuant to the terms of the lease, is liable for Caroline County real property taxes.

§ 166-16. Credit eligibility period.

The five-year tax credit eligibility period shall be effective upon placement of the expanded or newly constructed property on the County tax roll and upon verification that the requirements for receiving the credit have been met. Taxes already paid shall not be refunded. Under no circumstances shall tax credits be extended or renewed beyond five years for the same expansion or new construction.

§ 166-17. Annual certification.

The tax credit recipient must, during the life of the credit, annually certify, in writing, that the requirements for the grant of the credit continue to be met. The certification must be received by the County Commissioners between May 1 and October 1 each year. In the absence of such certification, the credit will immediately cease. Any tax interest or penalty charges due as a result of application denial may be determined by the County Commissioners to be the liability of the applicant.

§ 166-18. Change of ownership.

The credits granted hereunder shall be transferrable with a change of ownership to another manufacturer, who shall immediately become responsible for compliance with the requirements of this Article.

§ 166-19. Exceptions.

The County Commissioners reserve the right to deny or postpone approval of an application if

the applicant, or lessee in the case of leased property, is in default on payment of any Caroline County taxes or tax penalties, or State of Maryland taxes or tax penalties of which Caroline County receives a portion.

§ 166-20. Applicability; prior tax credit provisions superseded.

- A. This credit shall be the only Caroline County manufacturer's real property tax credit available to applicants whose expanded or newly constructed property is first placed on the County tax roll on or after July 1, 1990. This Article entirely supersedes the ordinance providing certain property tax credits for certain manufacturers adopted March 11, 1980, which ordinance shall not be applicable to such applications.
- B. The provisions of this Article shall not be applicable to:
- (1) Municipal taxes.
 - (2) Caroline County real property taxes levied and placed on the County tax roll prior to July 1, 1990.
 - (3) State of Maryland taxes, except as applied in § **166-19**, Exceptions, above.