

## **Tax Incentives**

- Provides an income tax subtraction modification for a qualifying artist
- Abatement from any admissions or amusement charge levied by and arts and entertainment enterprise or qualifying artist in the District.
- During the entire designation period (currently 10 years) approved by the Secretary and subject to adoption of appropriate legislation, a real property tax credit further described in ~9-240 of the Tax-Property Article against the County property tax imposed on the eligible assessment of an eligible building.
  - 100 % in each of the first two fiscal years after the property qualifies for the tax credit.
  - 80 % in the 3<sup>rd</sup> and 4<sup>th</sup> taxable years
  - 60 % in the 5<sup>th</sup> and 6<sup>th</sup> taxable years
  - 40 % in the 7<sup>th</sup> and 8<sup>th</sup> taxable years
  - 20 % in the 9<sup>th</sup> and 10<sup>th</sup> taxable years
  - 0 % after the 10<sup>th</sup> taxable year

## **From COMAR**

24.05.26.10

### **.10 Property Tax Credit**

A. The governing body of a county or municipal corporation may grant, by law, a real property tax credit against the county or municipal corporation property tax imposed on a manufacturing, commercial, or industrial building that:

(1) Is located in an arts and entertainment district; and

(2) Is wholly or partially constructed or renovated to be capable for use by a qualifying residing artist or an arts and entertainment enterprise.

B. The eligible assessment is that difference in value, attributable to the qualified renovations, between the first revaluations of the building after the completion of the renovations and the value existing in the records of the Department of Assessments and Taxation as of the January 1 before the commencement of the renovations.

C. If less than the entire building is used by a qualifying residing artist or an arts and entertainment enterprise, the credit is available only for the portion of the building used by a qualifying residing artist or an arts and entertainment enterprise.