



# Queen Anne's County



## QUEEN ANNE'S COUNTY ECONOMIC DEVELOPMENT

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## Historic Stevensville Arts and Entertainment District Property Tax Credit

### Program Purpose and Description

This program is designed to encourage the renovation of buildings for use by artists or arts and entertainment enterprises by lessening the financial burden on property owners. Queen Anne's County currently has one A & E District, the Historic Stevensville A & E District, with the designation effective by the State of Maryland on July 1, 2013.

The program provides:

- A 10-year tax credit against the property tax imposed on buildings located in the designated A&E District that are wholly or partially renovated for use by a qualified residing artist or A&E enterprises. The amount of the tax credit varies annually as it is based on a sliding percentage scale; see the Credit Calculation section on the subsequent page for more information as to how the tax credit is calculated.
- The property tax credit applies only to improvements made on the property after July 1, 2002 and only for the portion used by a qualifying residing artist or A&E enterprise. This tax credit cannot be applied to any property for which any other tax subsidy from the City is being received or has been applied for, other than a Maryland Enterprise Zone Tax Credit.
- This property tax credit is transferable to a purchaser of the property for the remaining term of the credit, provided the property continues to meet continuing eligibility requirements--see Step 5 of the Application Process section on the following pages for more information.

The property owner must apply to the Department of Finance for a tax credit within 90 days of receipt of an assessment notice reflecting the eligible assessment. Additionally, applications for the property tax credit will not be accepted after the 10<sup>th</sup> year from the date the district was designated by the State; the Historic Stevensville A & E District application will not be accepted after July 1, 2023.

### Property Tax Credit Qualifications

- The eligible assessment will be determined by the State Department of Assessments and Taxation based on the qualifying renovations.
  - Qualifying renovations are those that are made to a manufacturing, commercial, or industrial building located in a State-designated A&E district and for use by a qualifying residing artist or A&E Enterprise.
- Qualifying residing artists and A&E enterprises are defined by Article 83A, §4-701 of the Maryland Code.
  - Qualifying residing artist is an individual who owns or rents residential real property in an A&E district AND conducts a business in the A&E district AND Updated: May 21, 2010 2 derives income from the sale or performance within the A&E district of an artistic work that the individual wrote, composed, or executed either solely or

- collectively.
  - Arts and entertainment enterprise is a for-profit or not-for-profit entity dedicated to visual or performing arts
- The property owner must apply to the Department of Finance for a tax credit within 90 days of receipt of an assessment notice reflecting the eligible assessment. The property owner must certify the date on which he/she receives the assessment notice and the Department of Finance must receive the application within 90 days of that date. This 90 day time frame is NOT flexible and is strictly applied.
  - To remain eligible, the taxpayer must maintain the property in compliance with all County housing, building, health, fire, and other applicable County Code requirements and remain current on all payments due to the County. The property (the whole or the eligible portion) must also remain in use by a qualifying artist or A&E enterprise, with the taxpayer providing to the Department of Finance an annual certification of that continued use. See Step 5 of the Application Process section for information about the annual renewal process.

**Application Process:**

**Step 1.** Owner should complete the application and attach evidence of appropriate building and/or use permits.

**Step 2.** Owner must secure assessment information substantiating the increased value of the real property due to the improvements made to the property. This information can be obtained from the State Department of Assessments and Taxation, 6 St. Paul Street. For additional information, please contact SDAT at the following: Phone (410) 819-4160 or via email at [sdato@maryland.gov](mailto:sdato@maryland.gov)

**Step 3.** Owner should return completed one-time application with all supporting documentation to: Queen Anne’s County Department of Finance, 107 N. Liberty Street, Centreville, MD 21617

**Step 4.** The Finance Department and/or its designee will review the application and if approved, will calculate the appropriate credit. If disapproved, the Department of Finance will contact the property owner.

**Step 5.** Eligibility for the credit in any year is conditioned on the following: compliance with all County Housing, Building, Health, Fire and any other applicable Code requirements; remain current on all payments due to the County; and continue to use the property or eligible portion of the property by a qualifying residing artist and/or an A&E enterprise. The law requires that the property owner submit an annual certification to the Department of Finance to show that the use of the property continues to be in compliance with the terms of the property tax credit. The Department of Finance requires the following: An itemized list of all qualified residing artists and/or

- A&E enterprises that occupy the space subject to the property tax credit; and
- A copy of the lease and cancelled monthly rent checks for the qualified residing artists and/or A&E enterprises that occupy the space subject to the tax credit; and,
- The state sales tax account number for the qualified residing artists and/or A&E enterprises that occupy the space.

**The property owner must submit this recertification information by May 1 of each year in order to continue to receive the property tax credit for the next tax year.**

**Please complete the attached application:**

**APPLICATION FOR HISTORIC STEVENSVILLE ARTS AND ENTERTAINMENT TAX CREDIT**

1. Business name and address (for correspondence purposes):

Name	
Street Address	
P. O. Box	
City	
State	
Zip Code	

2. Location Address (if different than above):

Name	
Street Address	
P. O. Box	
City	
State	
Zip Code	

3. Name of Qualifying Residing Artist and/or A & E Enterprise (if different than above):

Name	
Street Address	
P. O. Box	
City	
State	
Zip Code	

4. Total Square Footage of Property: \_\_\_\_\_

5. Total Square Footage Dedicated to A & E Usage: \_\_\_\_\_

6. Specific Nature of A & E Use/Business: \_\_\_\_\_

7. Federal Employer Identification Number of the Business: \_\_\_\_\_

8. Real Property Account Number: 18\_\_\_\_\_

9. Date new or expanded premises was acquired or renovations completed: \_\_\_\_\_

10. Have you received a notice of reassessment? If yes, provide copy of Assessment Certificate. If no, this credit does not apply until reassessed.

11. Assessed Value of Improvement: \_\_\_\_\_ (Attach a copy of the State Department of Assessment and Taxation Assessment Certificate).

12. Building Permit Number and/or Use Permit Number, if applicable: \_\_\_\_\_ (Attach a copy of all building permits and occupancy approvals.)

I hereby certify that I am authorized to act on behalf of the above applicant and attest that the information provided herein is true and accurate. I understand that the applicant must submit documentation reasonably necessary to verify the above. I further understand that submission of a false or fraudulent application or the withholding of information to obtain a tax credit is a Class A violation and further subjects the applicant to repayment of all taxes with interest and penalties, and court costs and expenses in the event a civil action for collection is filed.

\_\_\_\_\_  
Authorized Official (signature)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Official (print name)

\_\_\_\_\_  
Title