COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2025, Legislative Day No. 19

Bill No. 88-25

Mr. Mike Ertel, Chair
By Request of County Executive
&
Mr. Todd Crandell, Councilman

By the County Council, November 17, 2025

A BILL
ENTITLED

AN ACT concerning

Property Tax Credits for Eligible Port Property

FOR the purpose of granting a certain property tax credit for certain marine trade waterfront property; granting a certain property tax credit for certain property located in a foreign trade zone; and generally relating to such property tax credits.

BY adding

Section 11-2-113
Article 11 – Taxation
Title 2 – Ad Valorem Taxes
Subtitle 1 – In General
Baltimore County Code, 2015

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter stricken from existing law.
~~Strike out~~ indicates matter stricken from bill.
Underlining indicates amendments to bill.

WHEREAS, marine terminals that handle container cargo generate significant economic benefits, including by creating jobs and attracting businesses that benefit from the logistics and supply chain benefits of being located near a container terminal; and

WHEREAS, to promote the potential for development of container terminals in the County and to yield the potential for the significant economic benefits that follow container terminal operations, the Council now proposes to (1) create a real property tax credit for certain marine trade waterfront property, using the authority in § 9-251 of the Tax-Property article of the Annotated Code of Maryland; and (2) create a personal property tax credit for certain property located in a foreign trade zone, using the authority in § 9-231 of the Tax-Property article of the Annotated Code of Maryland; now, therefore

SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND, that the Laws of Baltimore County read as follows:

ARTICLE 11 – TAXATION

Title 2 – Ad Valorem Taxes

Subtitle 1 – In General

§ 11-2-113. PROPERTY TAX CREDITS FOR ELIGIBLE PORT PROPERTY.

(A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(1) "CONTAINER HANDLING EQUIPMENT" MEANS:

(I) THE SPECIALIZED MACHINERY NECESSARY FOR THE SAFE, SECURE, AND EFFICIENT MOVEMENT OF SHIPPING CONTAINERS AT A PORT, INCLUDING:

A. SHIP TO SHORE CRANES TO LOAD AND UNLOAD CONTAINERS FROM SHIPS;

B. TERMINAL TRACTORS AND ASSOCIATED TRAILERS TO MOVE CONTAINERS WITHIN THE PORT TERMINAL;

C. RAIL MOUNTED GANTRY CRANES TO LOAD AND UNLOAD CONTAINERS FROM RAILCARS WITHIN THE TERMINAL INTERMODAL YARD;

D. CONTAINER HANDLERS;

E. FORKLIFTS HAVING A LOAD CAPACITY GREATER THAN 5 TONS;

F. REACH STACKERS AND OTHER SPECIALIZED VEHICLES THAT LIFT, LOWER, AND STACK CONTAINERS; AND

G. STRADDLE CARRIERS AND RUBBER TIRE GANTRIES THAT CAN STRADDLE A CONTAINER STACK AND LIFT CONTAINERS FROM THE GROUND OR VEHICLES.

(2) "CONTAINER OPERATIONS" MEANS:

(I) THE LOADING AND UNLOADING OF INTERMODAL CONTAINERS TO AND FROM COMMERCIAL MARINE VESSELS; AND

(II) THE RELATED MOVEMENT, STORAGE, AND TRANSLOADING OF SUCH INTERMODAL CONTAINERS.

(3) "FOREIGN TRADE ZONE" MEANS THE ENTIRE AREA DESIGNATED AS FOREIGN-TRADE ZONE NO. 74 UNDER FEDERAL LAW.

(4) "ELIGIBLE PORT PROPERTY" MEANS MARINE TRADE WATERFRONT PROPERTY, AS DEFINED IN § 9-251(A) OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, WHICH IS USED PRIMARILY FOR CONTAINER OPERATIONS.

(5) "REQUIRED PAYMENT AMOUNT" MEANS:

(I) FOR THE FIRST TAX YEAR OF THE TAX CREDIT AUTHORIZED IN SUBSECTION (B) OF THIS SECTION, 3 TIMES THE AMOUNT OF THE REAL PROPERTY TAX IMPOSED ON THE ELIGIBLE PORT PROPERTY FOR THE TAX YEAR IMMEDIATELY PRECEDING THE TAX YEAR IN WHICH CONSTRUCTION OF FACILITIES FOR CONTAINER OPERATIONS AT THE ELIGIBLE PORT PROPERTY COMMENCED;

(II) FOR EACH OF THE SECOND THROUGH 10TH TAX YEARS OF THE TAX CREDIT AUTHORIZED IN SUBSECTION (B) OF THIS SECTION, THE REQUIRED PAYMENT AMOUNT IN EFFECT FOR THE PRIOR TAX YEAR PLUS 2%; AND

(III) FOR EACH OF THE 11TH THROUGH 50TH TAX YEARS OF THE TAX CREDIT AUTHORIZED IN SUBSECTION (B) OF THIS SECTION, THE REQUIRED PAYMENT AMOUNT IN EFFECT FOR THE PRIOR TAX YEAR PLUS 3%.

(B) (1) THERE IS A PROPERTY TAX CREDIT AGAINST COUNTY REAL PROPERTY TAX IMPOSED ON ELIGIBLE PORT PROPERTY, IN ACCORDANCE WITH THIS SUBSECTION.

(2) IN ORDER TO QUALIFY FOR THE TAX CREDIT AUTHORIZED BY THIS SUBSECTION, THE OWNER OF AN ELIGIBLE PORT PROPERTY SHALL SUBMIT AN APPLICATION TO THE DIRECTOR, UNDER OATH, ON A FORM PROVIDED BY THE DIRECTOR.

(3) WITHIN 30 DAYS AFTER RECEIVING THE APPLICATION, THE DIRECTOR SHALL GRANT OR DENY THE APPLICATION, PROVIDE NOTICE OF SUCH DECISION TO THE APPLICANT, AND, IN THE CASE OF A DENIAL, STATE IN SUCH NOTICE THE REASONS FOR THE DENIAL.

(4) IF THE DIRECTOR DOES NOT GRANT OR DENY THE TAX CREDIT WITHIN 30 DAYS AFTER RECEIVING THE APPLICATION, THE APPLICATION IS DEEMED TO BE APPROVED.

(5) AFTER THE APPLICATION IS APPROVED OR DEEMED TO BE APPROVED, THE TAXPAYER AND THE DIRECTOR SHALL ENTER INTO A WRITTEN AGREEMENT:

(I) CONFIRMING THE TAXPAYER'S AGREEMENT TO MAKE THE PAYMENT OF COUNTY PROPERTY TAX REQUIRED BY SUBPARAGRAPH (I) OF PARAGRAPH (7) OF THIS SUBSECTION, IN CONSIDERATION OF THE COUNTY GRANTING THE TAX CREDITS CONTEMPLATED BY THIS SUBSECTION AND SUBSECTION (C) OF THIS SECTION;

(II) CONFIRMING THE REQUIREMENTS FOR THE ELIGIBLE PORT PROPERTY TO BE CONSIDERED OPERATIONAL AND THAT THE TAX CREDIT WILL COMMENCE IN THE IMMEDIATELY SUBSEQUENT TAX YEAR;

(III) CONFIRMING THAT THE ELIGIBLE PORT PROPERTY MUST BE IN SUBSTANTIALLY CONTINUOUS USE FOR CONTAINER OPERATIONS FOR THE DURATION OF THE 50-YEAR TAX CREDIT PERIOD AND ESTABLISHING AN ANNUAL INSPECTION PROCESS TO VALIDATE SUCH CONTINUOUS OPERATION;

(IV) CONFIRMING THAT THE TAXPAYER'S RIGHT TO RECEIVE SUCH TAX CREDITS, FOR THE ENTIRE 50-YEAR TAX CREDIT PERIOD DESCRIBED IN SUBPARAGRAPH (III) OF PARAGRAPH (5) OF THIS SUBSECTION, CONSTITUTES A PROPERTY RIGHT OF THE TAXPAYER AND IS VESTED WHEN THE ELIGIBLE PORT PROPERTY IS USED FOR CONTAINER OPERATIONS, AS SPECIFIED IN THE AGREEMENT; AND

(V) REQUIRING THE COUNTY AND TAXPAYER TO EXECUTE A SUBSEQUENT WRITTEN NOTICE CONFIRMING:

A. THE DATE THE ELIGIBLE PORT PROPERTY WAS DETERMINED TO BE IN USE FOR CONTAINER OPERATIONS;

B. THE TAX YEAR IN WHICH THE 50-YEAR CREDIT WILL COMMENCE; AND

C. THE TAX YEAR IN WHICH THE 50-YEAR PERIOD WILL EXPIRE.

(6) A TAX CREDIT GRANTED UNDER THIS SUBSECTION SHALL:

(I) BEGIN IN THE TAX YEAR IN WHICH THE ELIGIBLE PORT PROPERTY WAS DETERMINED TO BE OPERATIONAL, AS SET FORTH IN THE WRITTEN NOTICE EXECUTED PURSUANT TO SUBPARAGRAPH (V) OF PARAGRAPH (5) OF THIS SUBSECTION; AND

(II) CONTINUE FOR A TOTAL OF 50 YEARS.

(7) FOR EACH TAX YEAR OF A TAX CREDIT GRANTED UNDER THIS SUBSECTION, THE TAXPAYER SHALL:

(I) PAY COUNTY PROPERTY TAX ON THE ELIGIBLE PORT PROPERTY IN AN AMOUNT EQUAL TO THE REQUIRED PAYMENT AMOUNT; AND

(II) RECEIVE A TAX CREDIT OF 100% AGAINST ALL COUNTY PROPERTY TAX IMPOSED ON THE ELIGIBLE PORT PROPERTY IN EXCESS OF THE REQUIRED PAYMENT AMOUNT.

(8) A TAX CREDIT GRANTED UNDER THIS SUBSECTION RUNS WITH THE PROPERTY, AND A CHANGE IN OWNERSHIP DOES NOT RESULT IN A LAPSE OF THE TAX CREDIT, SO LONG AS THE ELIGIBLE PORT PROPERTY IS USED FOR CONTAINER OPERATIONS.

(C) (1) THERE IS A PROPERTY TAX CREDIT OF 100% AGAINST ALL COUNTY PERSONAL PROPERTY TAX IMPOSED ON CONTAINER HANDLING EQUIPMENT USED IN CONNECTION WITH CONTAINER OPERATIONS AT ELIGIBLE PORT PROPERTY IN THE FOREIGN TRADE ZONE FOR WHICH A TAX CREDIT UNDER SUBSECTION (B) OF THIS SECTION HAS BEEN GRANTED.

(2) A TAXPAYER CLAIMING A TAX CREDIT UNDER THIS SUBSECTION SHALL PROVIDE TO THE DIRECTOR, UPON REQUEST, AN ITEMIZED LIST OF THE CONTAINER HANDLING EQUIPMENT FOR WHICH THE TAXPAYER CLAIMED SUCH EXEMPTION.

SECTION 2. AND BE IT FURTHER ENACTED, that this Act, having been passed by the affirmative vote of five members of the County Council, shall take effect on December 29, 2025.