



Estimated Cost of Total Project: \$

EMPLOYEE INFORMATION

Number of Full-time positions prior to new project (if any): _____

Annual Payroll for these existing jobs (if any): _____

Number of New Full-time positions in Frederick County resulting from the new project: _____

Projected Annual Payroll for these New Jobs: _____

Anticipated Occupation Date for New Full-time Employees at New Facility: _____

OTHER

Has the business or another taxpayer been given a tax credit or exemption for the new or expanded premises during the same taxable year under any other state or county law?

_____ Yes _____ No

Is the location of the new or expanded premises consistent with applicable Frederick County land use master plans?

_____ Yes _____ No

I hereby certify that I am authorized to act on behalf of the above applicant and attest that the above information is true and accurate. I understand the applicant must submit documentation reasonably necessary to verify the above information including, but not limited to, payroll records and employee time sheets and such other documentation necessary to verify the above information for the taxable year for which the credit is sought and for the three taxable years following the last year in which a tax credit was granted. I understand that the applicant will be required to meet all conditions of the Commercial and Industrial Tax Credit Agreement prior to any credit being issued. 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.

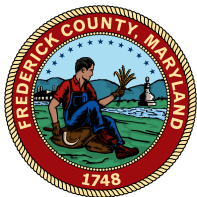
Authorized Official (print name)

Title

Signature of Authorized Official

Date

Please submit application to: Director of Treasury, Frederick County, 30 N. Market Street, Frederick, MD 21701. Application must be submitted on or before October 1 of the tax year for which the facility is first eligible for this tax credit.



COMMERCIAL AND INDUSTRIAL TAX CREDIT
ANNUAL ELIGIBILITY CERTIFICATION

In order for the business to continue to receive the Commercial and Industrial Tax Credit, this certification must be filed annually on or before April 30 of each calendar year. The certification must be filed with the Director of Treasury, 30 N. Market Street, Frederick, MD 21701.

This Tax Credit Eligibility Certification is made this _____ day of _____, _____ by _____, and is made for the purpose of verifying that the business entity continues to satisfy all applicable requirements under Frederick County Code 1-8-441 through 1-8-445.

This Certification is given with respect to the following property:

Address _____ Tax Parcel _____

On behalf of _____ I hereby certify under penalties of perjury that with respect to the aforementioned property:

At least _____ persons are employed by the business in permanent full-time positions located in the new or expanded premises indicated above; and

The annual payroll for these new jobs is _____.

A copy of _____'s latest quarterly filing for its Maryland Unemployment Quarterly Contribution Reports is attached to this Certification.

In witness to the above certification, my notarized signature and corporate seal of the _____ are set forth below.

Name of Business Entity

By: _____ (SEAL)

Name: _____

Title: _____

Date: _____

STATE OF MARYLAND, COUNTY OF _____, to wit:

I HEREBY CERTIFY that on this _____ day of _____, _____, before me a Notary Public in and for the State aforesaid, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that the above certification is true and correct and that he executed the same under penalties of perjury in his capacity as _____ of the _____ for the purposes therein contained.

AS WITNESS my hand and notarial seal.

Notary Public

My Commission Expires: _____

Sample Letter of Intent for the Commercial & Industrial Tax Credit—this notice must be sent prior to the business obtaining the new or expanded premises or hiring new employees to fill the new permanent full-time positions.

DATE

Director of Finance
Frederick County Government
12 E. Church Street
Frederick, MD 21701

Dear Director:

This is to notify you of Your Business's intent to receive the Commercial & Industrial Tax Credit. Your Business is located at ##### Street Name, Town, State, Zip Code. Your Business currently has ##### full-time permanent employees, housed in ##### square feet of space. It is Your Business's intention to expand by ##### permanent full-time employees and by ##### square feet of space by Month 20##.

I will forward to you Your Business's most recent Maryland Unemployment Quarterly Contribution Report when it becomes available. I will also send you a copy of our current lease [or other document], detailing the amount of space Your Business occupies.

I understand that an application for the Commercial & Industrial Tax Credit must be filed with the County's Director of Treasury on or before October 1 of the tax year for which the facility is first eligible for this tax credit. After the credit is granted for the first year, I will then submit on an annual basis the eligibility certification along with the required attachment by April 30.

Sincerely,

Your Business's Contact

ARTICLE XIII: COMMERCIAL AND INDUSTRIAL TAX CREDIT

Section

- 1-8-441 Establishment
- 1-8-442 Definitions
- 1-8-443 Qualifying conditions
- 1-8-444 Amount and duration of credit
- 1-8-445 General provisions

§ 1-8-441 ESTABLISHMENT.

(A) As authorized by, and subject to, the provisions set forth in the Annotated Code of Maryland, Tax Property Article, § 9-205, Frederick County, Maryland hereby establishes a property tax credit against the county real property tax on real property owned or occupied by a commercial or industrial manufacturing, fabricating or assembling facility that qualifies under this Article, which real property tax credit shall be known as the Frederick County Commercial and Industrial Business Tax Credit.

(B) The Frederick County Director of Treasury ("County Treasurer") shall administer this tax credit. (Bill No. 15-09, 9-1-2015)

§ 1-8-442 DEFINITIONS.

COMMERCIAL OR INDUSTRIAL BUSINESS.

A person that conducts manufacturing, fabricating or assembling operations within Frederick County.

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

SUBSTANTIAL INVESTMENT.

(1) The acquisition or expansion of a building, land or equipment for manufacturing, fabricating or assembling purposes within Frederick County that totals a new investment of at least \$5,000,000 and

(2) The creation of at least 25 new permanent full time positions at the facility paying at least 150% of the federal minimum wage and which positions may not have been transferred to the facility from another location in Frederick County.

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

(Bill No. 15-09, 9-1-2015)

§ 1-8-443 QUALIFYING CONDITIONS.

(A) To qualify for this tax credit the commercial or industrial business must make a substantial investment in developing and operating a facility within Frederick County.

(B) The commercial or industrial business seeking this credit for a facility must apply for this tax credit with the Frederick County Treasurer on or before October 1 of the tax year for which the facility is first eligible for this tax credit.

(C) The facility must be in continual operation throughout each tax year for which this credit is granted.

(D) The facility must be located in an appropriately zoned area and may not be located in an agricultural or resource conservation zone.

(E) The facility must be lawfully used for manufacturing, fabricating or assembling purposes, as such terms are defined for purposes of the Annotated Code of Maryland, Tax-Property Article.

(F) Both single and multiple use properties are eligible to qualify for this tax credit, assuming all other eligibility requirements are met, although multiple use properties will only be eligible to receive a tax credit on the facility portion of the property devoted to active manufacturing, fabricating or assembling purposes.

(G) The commercial or industrial business responsible for the qualifying facility and the owner of the real property where the facility is located, if other than the commercial or industrial business, must, if requested, enter into a tax credit agreement with Frederick County.

(Bill No. 15-09, 9-1-2015)

§ 1-8-444 AMOUNT AND DURATION OF CREDIT.

(A) A facility shall be eligible for this commercial and industrial business tax credit for a term not to exceed ten consecutive years after first qualifying for this property tax credit. The first tax year the tax credit shall become available for a qualifying facility shall be the first full tax year in which its county property taxes would increase due to the substantial investment in new construction or an improvement to an existing facility (the "first tax year"). The last tax year this property tax credit shall be available shall be the tenth tax year that follows the increase in county real property tax due to the substantial investment in the facility.

(B) The County Executive shall establish the term and amount of each tax credit granted under this Article, as the County Executive believes is in Frederick County's best interest, in an amount expressed as a percent of the additional Frederick County real property tax imposed as a result of an increase in assessment due to the new construction or expansion of a qualifying facility (the "incremental tax"). In the event the average amount of the credit over the term of the credit would exceed 60% of total incremental tax, the tax credit must be reviewed and approved by the County Council before the tax credit is granted.

(C) The amount of a tax credit granted under this program may not exceed the property tax increase attributable to the increase in the assessment of the facility over the assessment before the substantial investment was made to the qualifying facility (the "incremental tax").

(Bill No. 15-09, 9-1-2015)

§ 1-8-445 GENERAL PROVISIONS.

(A) This property tax credit shall be a credit only against the county real property tax imposed pursuant to Maryland Annotated Code Tax-Property Article § 6-202 and shall not be a credit against any special taxing district tax including, but not limited to tax for fire and rescue services, imposed pursuant to Maryland or Frederick County law.

(B) Property owners shall file annually on or before April 30 of each calendar year an affidavit, signed under oath or affirmation subject to penalties for perjury, with the County Treasurer certifying that the facility continues to operate in Frederick County and qualifies for this tax credit; failure to do so shall mean that the otherwise qualifying property shall not be entitled to receive this tax credit for the following tax year (July 1 through June 30).

(C) In addition to terminating as may be provided in the tax credit agreement or elsewhere in this Article, any tax credit granted under this provision shall terminate:

(1) At the moment ownership of the qualifying facility or real property on which it sits is transferred or conveyed in any manner whatsoever, except that this provision shall not apply simply because the facility or real property is subject to a mortgage or deed of trust granted as part of a financing of the property or if the transfer or conveyance is between a parent business entity and its wholly owned subsidiary business entity or between two or more subsidiary business entities wholly owned by the same parent business entity;

(2) At the moment in which the qualifying facility is substantially destroyed;

(3) At the moment the qualifying facility ceases to be used in whole or part for manufacturing, fabricating or assembling purposes, including but not limited to failing to maintain the minimum employment level required for the initial substantial investment; or

(4) At the end of the tenth tax year after the qualifying facility was first eligible for this tax credit.

(D) To the extent this tax credit terminates other than at the end of a tax year, the property owner shall repay, without demand, Frederick County the amount of the tax credit received for that tax year. Interest shall accrue from the moment the tax credit terminates at the rate established for overdue property taxes. To the extent permitted by law, any unrepaid tax credit is a lien on the real property that had received the tax credit and may be collected in the same manner as unpaid property taxes may be collected under the Annotated Code of Maryland, Tax-Property Article.

(E) In the event the commercial or industrial business making the substantial investment that qualifies for this tax credit is a lessee of real property subject to this credit, the amount of this tax credit shall pass through to the commercial or industrial business that makes the substantial investment qualifying the facility for this credit, except that the term of the tax credit may not exceed the remaining term of the lease and may not, in any event, exceed ten years.

(F) In the event a commercial or industrial business qualifies for this commercial and industrial business tax credit as well as for a second real property tax credit available from the county and applications are timely filed for both credits, the qualifying business may elect which credit to receive, but may not receive both credits. Upon expiration or termination of the selected credit, if the qualifying business is not then in default of the qualifications for either tax credit and the tax credits were for different length terms the business shall then receive the remaining credit available during any remaining time on the second credit.

(Bill No. 15-09, 9-1-2015)