



Bill No. 25-13

Concerning: Day Care Provider Tax Credit

Introduced November 4, 2025

Revised: _____ Draft No. _____

Enacted: _____

Effective: _____

Expires: February 2, 2026

Frederick County Code, Chapter 1-8

Section(s) 69

COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

By: Council Member Renee Knapp and Council President Brad Young

AN ACT to: Update the tax credit amount for the Day Care Provider Tax Credit and add the Credit for family child care home or group day care center on business property.

Date Council Approved: _____ Date Transmitted to Executive: _____

Executive: _____ Date Received: _____

Approved: _____ Date: _____

Vetoed: _____ Date: _____

Date returned to Council by County Executive with no action: _____

By amending:

Frederick County Code, 1-8 Section(s) 69

Other: _____

Boldface

Underlining

[Single boldface brackets]

* * *

Heading or defined term.

Added to existing law.

Deleted from existing law.

Existing law- unaffected by bill.

Bill No. 25-13

The County Council of Frederick County, Maryland, finds it necessary and appropriate to amend the Frederick County Code to update the Tax Credit for Day Care Providers under Md. Code Ann., Tax-Prop. § 9-213 and to add the Additional Child Care Credit under Md. Code Ann., Tax-Prop. § 9-214.

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF FREDERICK COUNTY, MARYLAND, that the Frederick County Code be, and it is hereby, amended as shown on the attached Exhibit 1.

Brad W. Young, President
County Council of Frederick County,
Maryland

ARTICLE III.B: PROPERTY TAX CREDIT

§ 1-8-69. TAX CREDIT FOR DAY CARE PROVIDERS

(A) *Definitions. Improvement* means an addition to or modification of real property which adds to the assessed valuation of the property as determined by the State Department of Assessments and Taxation.

(B) *Credit for day care providers.*

(1) As authorized by, and subject to, the provisions set forth in the Annotated Code of Maryland, Tax-Property Article, § 9-213, Frederick County, Maryland hereby establishes a tax credit against the County property tax imposed on an improvement of real property if the improvement is:

(a) ~~[(1)]~~ Completed after July 1, 2023; and

(b) ~~[(2)]~~ Used exclusively for a day care center that is:

1. ~~[(a)]~~ registered as a family child care home or large family child care home under Title 9.5, Subtitle 3, of the Education Article;

2. ~~[(b)]~~ licensed as a child care center under Title 9.5, Subtitle 4, of the Education Article;

3. ~~[(c)]~~ licensed as a day care center for the elderly under Title 14, Subtitle 2 of the Health - General Article; or

4. ~~[(d)]~~ licensed as a day care center for adults under Title 14, Subtitle 3 of the Health - General Article.

Underlining indicates matter added to existing law.

[Single boldface brackets] indicates matter deleted from existing law.

*** - indicates existing law unaffected by bill.

Bill No. 25-13

1 (2) [(C)] *Amount of Credit.* The amount of the credit authorized under this
2 subsection must not exceed in each year the lesser of:

3 (a) [(1)] \$10,000 [\$3,000]; or

4 (b) [(2)] The amount of the county property tax attributable to that portion
5 of property for which the credit was granted.

6 (3) [(D)] *Duration.* The county property tax credit authorized under this
7 subsection shall run for a period not to exceed five consecutive tax years following the initial
8 application and qualification for this tax credit.

9 [(E)] *Application.* An application for, or renewal of, the tax credit created by this
10 section shall be filed on or before October 1 of each taxable year for which the tax credit is being
11 sought. If the application or renewal is filed after October 1, the credit shall be disallowed that year
12 but shall be treated as an application or renewal for a tax credit for the following taxable year. The
13 tax credit is non-transferable to a new property owner.]

14 (4) [(F)] *Additional tax credits.* The property owner is eligible to receive this
15 credit in addition to other homeowner tax credits, except those prohibited by Tax-Property Article,
16 § 9-213. At no time shall the amount of any combined credits be greater than the net county tax

17 [(G)] *Administration.* The County Treasurer may adopt guidelines, regulations or
18 procedures to administer this section.]

19 (C) *Credit for family child care home or child care center on business property.*

20
21 (1) As authorized by, and subject to, the provisions set forth in the Annotated
22 Code of Maryland, Tax-Property Article, § 9-214, Frederick County, Maryland hereby

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Bill No. 25-13

1 establishes a tax credit against the County property tax imposed on that portion of the real
2 property on which an improvement is completed if:

3 (a) The property is owned by a business having at least 25 employees; and

4 (b) The improvement contains an area set aside and dedicated exclusively
5 for a child care center that is:

6 1. registered as a family child care home or large family child
7 care home under Title 9.5, Subtitle 3 of the Education Article;

8 or

9 2. licensed as a child care center under Title 9.5, Subtitle 4 of the
10 Education Article.

11 (2) Amount of Credit. The amount of the credit authorized under this subsection
12 must not exceed in each year the lesser of:

13 (a) \$10,000; or

14 (b) The amount of the county property tax attributable to that portion of
15 property for which the credit was granted.

16 (3) Duration. The county property tax credit authorized under this subsection
17 shall run for a period not to exceed five consecutive tax years following the initial application and
18 qualification for this tax credit.

19 (4) Additional tax credits. The property owner is eligible to receive this credit
20 in addition to other applicable tax credits. At no time shall the amount of any combined credits be
21 greater than the net county tax

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Bill No. 25-13

1 (D) Application. An application for, or renewal of, the tax credits created by this section
2 shall be filed on or before October 1 of each taxable year for which the tax credit is being sought.
3 If the application or renewal is filed after October 1, the credit shall be disallowed that year but
4 shall be treated as an application or renewal for a tax credit for the following taxable year. The tax
5 credit is non-transferable to a new property owner.

6 (E) Administration. The County Treasurer may adopt guidelines, regulations or
7 procedures to administer this section.

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