

2. ARE FINANCED FOR AT LEAST 95% OF THE COST FROM LOAN FUNDS PROVIDED UNDER THE NATIONAL HOUSING ACT OF 1959 FOR SENIOR CITIZEN HOUSING PROGRAMS; AND

3. ARE OPERATED ON A NONPROFIT BASIS WITH THE REVENUES FROM THE OPERATION OF THE HOUSING AND FACILITIES CONTROLLED BY THE LOAN PROGRAM IN ORDER NOT TO PRODUCE ANY NET INCOME.

(B) PROCEDURE FOR EXEMPTION.

THE REAL PROPERTY DESCRIBED IN SUBSECTION (A) OF THIS SECTION MAY BE EXEMPT FROM PROPERTY TAX ONLY IF:

(1) THE GOVERNING BODY OF THE SUBDIVISION WHERE THE REAL PROPERTY IS LOCATED APPROVES AN AGREEMENT BETWEEN THE SUBDIVISION AND THE OWNER; AND

(2) UNDER THE AGREEMENT THE OWNER PAYS THE SUBDIVISION A NEGOTIATED AMOUNT IN LIEU OF PROPERTY TAX.

(C) ABATING OR REDUCING PREVIOUS TAXES.

AN AGREEMENT UNDER SUBSECTION (B) OF THIS SECTION MAY PROVIDE FOR ABATING OR REDUCING PROPERTY TAX PREVIOUSLY IMPOSED ON THE REAL PROPERTY.

(D) DISTRIBUTION OF PAYMENTS.

ANY PAYMENT NEGOTIATED UNDER THIS SECTION IN LIEU OF THE PROPERTY TAX SHALL BE DIVIDED BETWEEN THE STATE AND THE SUBDIVISION, IN THE RATIO THAT THE TAX RATE OF THE STATE AND THE SUBDIVISION EACH BEARS TO THE TOTAL OF THE TAX RATES OF THE STATE AND THE SUBDIVISION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 81, § 9(a) and (n).

In subsections (a) and (b) of this section, the word "owner" is substituted for the former references to "owned by any taxpayer", "such person or corporation", and "taxpayer", for clarity and brevity.

Subsection (a)(1) of this section is revised as a definition of "essential service facilities", for brevity.

In subsection (a)(2)(ii) of this section, the former word "structures" is deleted as unnecessary in light of the word "housing".

In subsection (a)(2)(ii)2. of this section, the former phrase "as amended", which modified the "National