

Preamble

~~WHEREAS, The State Department of Assessments and Taxation has assessed the property of telecommunications companies providing interstate long distance telecommunications service as public utility property, thereby taxing the real estate component of such property at 100% of value when the property of commercial and industrial taxpayers is taxed at 40% of value; and~~

~~WHEREAS, Other states are taxing the real property of interstate long distance telecommunications companies as commercial property and the Department's taxing practice may adversely affect Maryland's competitive position in attracting the construction of interexchange facilities in Maryland, which create long term employment for Maryland residents; and~~

~~WHEREAS, The Legislature desires to amend the property tax law to tax the real property of interstate long distance telecommunications companies at 40% of value so long as the Department's practice of assessing interexchange telecommunications companies as public utilities may continue; and~~

~~WHEREAS, This legislation is being made effective in tax year 1995 to allow the local taxing jurisdictions to adjust to the fiscal impact of this measure. It is the intent of the General Assembly to give the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation the authority to grant a tax credit of up to 60% of the property tax imposed on the real property of interstate long distance telecommunications companies; now, therefore,~~

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:~~

~~Article — Tax — Property~~

~~8-101.~~

~~(b) Real property is a class of property and is divided into the following subclasses:~~

~~(1) land that is actively devoted to farm or agricultural use, assessed under § 8-209 of this title;~~

~~(2) marshland, assessed under § 8-210 of this title;~~

~~(3) woodland, assessed under § 8-211 of this title;~~

~~(4) land of a country club, assessed under §§ 8-212 through 8-217 of this title;~~

~~(5) land that is used for a planned development, assessed under §§ 8-220 through 8-225 of this title;~~

~~(6) rezoned real property that is used for residential purposes, assessed under §§ 8-226 through 8-228 of this title;~~

~~(7) operating real property of a railroad;~~