

(B) (1) ALL MACHINERY, EQUIPMENT, MATERIALS, AND SUPPLIES ARE SUBJECT TO A PARTIAL EXEMPTION FROM PROPERTY TAX IF CONSUMED IN OR USED PRIMARILY IN RESEARCH AND DEVELOPMENT.

(2) THE PARTIAL EXEMPTION GRANTED UNDER THIS SUBSECTION:

(I) IS EQUAL TO THE ASSESSMENT OF THE PROPERTY IN EXCESS OF 50% OF THE ORIGINAL COST OF THE PROPERTY; AND

(II) SHALL APPLY ONLY TO PROPERTY PURCHASED OR TRANSFERRED INTO THE STATE AFTER DECEMBER 31, 1994.

(C) (1) IN ADDITION TO THE PARTIAL EXEMPTION GRANTED UNDER SUBSECTION (B) OF THIS SECTION, THE GOVERNING BODY OF A MUNICIPAL CORPORATION OR COUNTY MAY PROVIDE, BY LAW, AN EXEMPTION FROM COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON ALL MACHINERY, EQUIPMENT, MATERIALS, AND SUPPLIES IF CONSUMED IN OR USED PRIMARILY IN RESEARCH AND DEVELOPMENT.

(2) THE GOVERNING BODY OF THE MUNICIPAL CORPORATION OR COUNTY MAY PROVIDE, BY LAW:

(I) FOR THE AMOUNT OF THE PROPERTY TAX EXEMPTION UNDER THIS SUBSECTION; AND

(II) FOR THE APPLICATION OF THE EXEMPTION TO PROPERTY PURCHASED OR TRANSFERRED INTO THE STATE ON OR BEFORE DECEMBER 31, 1994, AS WELL AS TO PROPERTY ELIGIBLE FOR THE PARTIAL EXEMPTION UNDER SUBSECTION (B) OF THIS SECTION.

(3) THE GOVERNING BODY OF A MUNICIPAL CORPORATION OR COUNTY THAT ENACTS AN EXEMPTION UNDER THIS SUBSECTION SHALL SUBMIT A COPY OF THE LAW TO THE DEPARTMENT.

(4) IF THE DEPARTMENT RECEIVES A COPY OF THE LAW ON OR BEFORE MARCH 1, THE EXEMPTION SHALL BE EFFECTIVE FOR THE TAXABLE YEAR FOLLOWING THE DATE THE LAW IS ENACTED.

SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 9-223 of Article - Tax - Property of the Annotated Code of Maryland be repealed.

SECTION ~~2. 4~~ AND BE IT FURTHER ENACTED, That notwithstanding any other provision of law, for Fiscal Year 1996, the Governor shall transfer:

(a) \$50,000,000 of funds from the Dedicated Purpose Account established under § 7-310 of the State Finance and Procurement Article to the Revenue Stabilization Account established under § 7-311 of the State Finance and Procurement Article; and

(b) ~~\$200,000,000~~ \$190,000,000 of funds from the Revenue Stabilization Account established under § 7-311 of the State Finance and Procurement Article to the Citizen Tax Reduction *and Fiscal* Reserve Account established under § 7-310.1 of the State Finance and Procurement Article as enacted under Section 1 of this Act.