(b)   [In] EXCEPT FOR AN INTEREST IN FEDERAL ENCLAVE PROPERTY AS DEFINED IN § 7–211.3 OF THIS TITLE, IN all counties except Worcester County, the governing body of the county or of a municipal corporation in those counties or the Mayor and City Council of Baltimore City may authorize, by law, an exemption from county or municipal corporation property tax for the property described in § 6–102(e) of this article and provide for a negotiated payment in lieu of the tax.

9–103.

(a)   (5)   (I)   "Eligible assessment" means the difference between the base year value and the actual value as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.

(II)   FOR A BUSINESS ENTITY THAT IS LOCATED ON LAND OR WITHIN IMPROVEMENTS OWNED BY THE FEDERAL, STATE, COUNTY, OR MUNICIPAL GOVERNMENT, "ELIGIBLE ASSESSMENT" MEANS THE DIFFERENCE BETWEEN THE BASE YEAR VALUE AND THE ACTUAL VALUE REDUCED BY THE VALUE OF ANY PROPERTY ENTITLED TO AN EXEMPTION UNDER TITLE 7 OF THIS ARTICLE AS DETERMINED BY THE DEPARTMENT FOR THE APPLICABLE TAXABLE YEAR IN WHICH THE TAX CREDIT UNDER THIS SECTION IS TO BE GRANTED.

~~SECTION 3. AND BE IT FURTHER ENACTED, That § 10–726 of the Tax General Article, as enacted by this Act, shall be applicable to all taxable years beginning after December 31, 2007.~~

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a)   The Department of Business and Economic Development, in consultation with the Department of Assessments and Taxation, shall prepare a report that outlines:

(1)   the enhanced use lease projects, or other private development projects, on federal enclave property in the State that are proposed or in development;

(2)   the extent to which the enhanced use lease projects, or other private development projects, on federal enclave property may be subject to State and local property taxation;

(3)   the status of any payment in lieu of tax agreement negotiations between local jurisdictions, the State, and private developers for projects on federal enclave property; and