

RESOLUTION 2016-01

COUNTY COMMISSIONERS OF KENT COUNTY, MARYLAND

CHESTERTOWN ENTERPRISE ZONE DESIGNATION

WHEREAS, Maryland's Enterprise Zone Tax Credit Program is a joint effort between the State and local governments to provide tax incentives to businesses and property-owners located in economically distressed communities; and

WHEREAS, enterprise zones have provided other jurisdictions with an important economic development tool; and

WHEREAS, the County Commissioners of Kent County and the Mayor and Council of the Town of Chestertown seek this designation for the proposed area to support economic development; and

WHEREAS, the primary benefits to businesses located within an Enterprise Zone are eligibility for local property tax credits and State income tax credits; and

WHEREAS, eligible businesses in an enterprise zone may claim a 10-year credit against local real property taxes on a portion of real property improvements, that credit being 80 percent of the assessment increase during the first five years, and then decreasing 10 percent annually to 30 percent in the tenth year; and

WHEREAS, eligible businesses in an enterprise zone may claim credits for wages paid to new employees in new positions, those credits being a one-time \$1,000 credit per new worker in general, but increasing in the case of economically disadvantaged employees to \$6,000 per worker distributed over three years, such credits to be claimed on Form 500CR submitted to the Comptroller as part of an individual or business income tax return; and

WHEREAS, the Enterprise Zone is an important incentive the Town and County can offer to attract new businesses and encourage the local expansion of existing ones,

THEREFORE, BE IT RESOLVED, we the County Commissioners of Kent County, Maryland, support this application to the Maryland Department of Commerce requesting designation of a Chestertown Enterprise Zone.

ATTEST:



Sondra M. Blackiston, Clerk

**THE COUNTY COMMISSIONERS OF
KENT COUNTY, MARYLAND**



William W. Pickrum, President



Ronald H. Fithian, Member

William A. Short, Member

Adopted: March 29, 2016