

ANNOTATED CODE OF MARYLAND

ARTICLE 83A. DEPARTMENT OF BUSINESS AND ECONOMIC  
DEVELOPMENT

TITLE 4. DIVISION OF TOURISM, FILM, AND THE ARTS  
SUBTITLE 7-ARTS AND ENTERTAINMENT DISTRICTS

Current through end of 2002 Regular Session.

§ 4-701. Arts and entertainment districts

(a)(1) In this section the following words have the meanings indicated.

(2)(i) "Artistic work" means an original and creative work, whether written, composed, or executed, that falls into one of the following categories:

1. A book or other writing;
2. A play or performance of a play;
3. A musical composition or the performance of a musical composition;
4. A painting or other picture;
5. A sculpture;
6. Traditional or fine crafts;
7. The creation of a film or the acting within a film; or
8. The creation of a dance or the performance of a dance.

(ii) "Artistic work" includes any product generated as a result of any of the categories listed under subparagraph (i) of this paragraph.

(iii) "Artistic work" does not include any piece or performance created or executed for industry-oriented or industry-related production.

(3) "Arts and entertainment district" means a developed district of public and private uses that:

(i) Ranges in size from a portion of a county or municipal corporation to a regional district with a special coherence; and

(ii) Is distinguished by physical and cultural resources that play a vital role in the life and development of the community and contribute to the public through interpretive, educational, and recreational uses.

(4) "Arts and entertainment enterprise" means a for profit or nonprofit entity dedicated to visual or performing arts.

(5) "Qualifying residing artist" means an individual who:

(i) Owns or rents residential real property in an arts and entertainment district and conducts a business in the arts and entertainment district; and

(ii) Derives income from the sale or performance within the arts and entertainment district of an artistic work that the individual wrote, composed, or executed, either solely or with one or more other individuals.

(b) Subject to the requirements of this section, the Mayor and City Council of

Baltimore City or the governing body of a county or municipal corporation may apply to the Secretary for designation of an arts and entertainment district in the county or municipal corporation in which:

(1) Qualifying residing artists are eligible for the income tax subtraction modification under § 10-207(v) of the Tax - General Article;

(2) A property tax credit under § 9-240 of the Tax - Property Article applies; and

(3) An exemption from the admissions and amusement tax under § 4-104 of the Tax - General Article applies.

(c) An arts and entertainment district shall be a contiguous geographic area of a county that is:

(1) Wholly within a priority funding area as provided under § 5-7B-02 of the State Finance and Procurement Article; or

(2) Wholly within a designated neighborhood as defined under Article 83B, § 4-202 of the Code.

(d)(1) The Secretary shall give the Comptroller notice of the establishment of an arts and entertainment district on or before July 1 prior to the effective date of its establishment.

(2) The subtraction modification under § 10-207(v) of the Tax - General Article shall be applicable to all taxable years beginning after December 31 of the year in which the notice required under paragraph (1) of this subsection is provided.

#### § 4-702. Designation of arts and entertainment districts

(a) A county or municipal corporation may apply to the Secretary for designation of an area within that political subdivision as an arts and entertainment district, but if a county seeks to designate an area within a municipal corporation as an arts and entertainment district, then the governing body of the municipal corporation must first consent.

(b) A county may apply to the Secretary on behalf of a municipal corporation, with the consent of the governing body of the municipal corporation, for designation of any area within that municipal corporation as an arts and entertainment district.

(c) Two or more political subdivisions may apply jointly to the Secretary for designation of an area as an arts and entertainment district that is located astride their common boundaries.

(d) The application shall be in the form and manner and contain such information as the Secretary may, by regulation, determine, provided that the application shall:

(1) Contain information sufficient for the Secretary to determine if the criteria established in §§ 4-701(a)(3) and (c) of this subtitle have been met; and

(2) Be submitted on behalf of the political subdivision by its chief elected officer, or, if none, by the governing body of the political subdivision.

(e)(1) Within 60 days following any submission date, the Secretary may designate one or more arts and entertainment districts from among the applications submitted to the Secretary on or before that submission date.

(2) The Secretary may not designate more than one arts and entertainment district in a county in any calendar year.

(3) The determination of the Secretary as to the areas designated as arts and entertainment district shall be final, except that, for any area not designated an arts and entertainment district, a political subdivision may reapply at any time to the Secretary for designation of that area as an arts and entertainment district.

(f) A political subdivision may apply to the Secretary for the expansion of an existing and in the same manner as the political subdivision would apply for the designation of a new arts and entertainment district.

#### § 4-703. Regulations

The Secretary shall adopt regulations that specify application procedures and criteria for designation of arts and entertainment districts.

## ANNOTATED CODE OF MARYLAND

### TAX PROPERTY ARTICLE

#### § 9-240. Arts and entertainment districts; tax credit

(a) In this section, "arts and entertainment district" and "qualifying residing artist" have the meanings stated in Article 83A, § 4-701 of the Code.

(b) The governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on a manufacturing, commercial, or industrial building that:

(1) Is located in an arts and entertainment district; and

(2) Is wholly or partially renovated for use by a qualifying residing artist or an arts and entertainment enterprise.

(c) A tax credit granted under this section may not be granted for more than 10 years.