

RESOLUTION NO. 614

SUPPORTING AN APPLICATION TO THE MARYLAND DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT (DBED) FOR THE PURPOSE OF ESTABLISHING AN ARTS AND ENTERTAINMENT DISTRICT.

RECITALS

An Arts and Entertainment District is a geographically designated area in which a high concentration of arts and entertainment facilities serve as an anchor attraction. The intent of the District is to stimulate neighborhood revitalization, improve the attractiveness and safety of areas, stimulate business activity (particularly in the evenings and on weekends), attract residents and visitors and build the tax base.

The County Council of Wicomico County, Maryland recognizes the economic impact of the arts statewide, in Wicomico County and in the City of Salisbury.

Article 83A, Title 4, Subtitle 7 of the Annotated Code of Maryland authorizes the Secretary of the Maryland Department of Business and Economic Development (DBED) to designate Arts and Entertainment Districts within the State. The establishment of an Arts & Entertainment District authorizes and provides tax credit incentives to qualifying artists and developers located within the boundaries of the District.

The tax incentives available upon the designation of an Arts & Entertainment District include: (i) an income tax subtraction modification for qualifying residing artists under § 10-207(v) of the Tax - General Article; (ii) a property tax credit under § 9-240 of the Tax - Property Article; and (iii) an exemption from the Admissions and Amusement Tax under § 4-104 of the Tax - General Article

The City of Salisbury has adopted Resolution No. 1433, adopted and effective August 14, 2006, supporting the application to establish the Salisbury Arts & Entertainment District.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland, in Executive Session, as follows:

- A. The County Council endorses the submission of an application to DBED requesting designation of the Salisbury Arts & Entertainment District as depicted on the map attached to the City of Salisbury Resolution No. 1433.
- B. The County Council acknowledges that the income tax subtraction modification under 10-207(v) of the Tax - General Article for qualifying residing artists in the District may affect its income tax receipts.
- C. In the event the application is approved and the Secretary officially designates the Salisbury Arts & Entertainment District, the County Council will:
 - (1) Introduce legislation establishing an Arts & Entertainment property tax credit program that:
 - (a) Provides during the entire designation period approved by the Secretary, a real property tax credit as described in § 9-240 of the Tax - Property Article against the County property tax imposed on the eligible assessment of an eligible building;

- (b) The real property tax credit amount shall be the following percentage of the amount of property tax imposed on the eligible assessment of the property entitled to the credit:
- [1] 100% in each of the first 6 taxable years after the calendar year when the property initially is entitled to the credit;
 - [2] 0% after the 6th taxable year.
- (2) Adopt a Resolution granting, during the entire designation period approved by the Secretary, an exemption from the Admissions and Amusement Tax gross receipts from any admissions or amusement charge levied by an arts and entertainment enterprise or qualifying residing artist in the District.

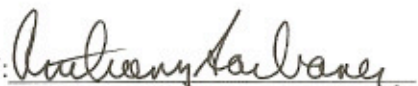
DONE AT SALISBURY, MARYLAND, THIS 5th DAY OF SEPTEMBER, 2006.

ATTEST:



Theodore E. Shea, II, Administrative Director

WICOMICO COUNTY, MARYLAND

BY: 
Anthony Sarbanes, President
Wicomico County Council