shall take effect July 1, 1976.

Approved May 17, 1976.

CHAPTER 728

(House Bill 1078)

AN ACT concerning

Montgomery County - Tax Credit
MC-15A-76

FOR the purpose of providing that certain property receive a tax credit against ordinary taxes when leased by nonprofit community theatrical organizations and to define when a credit may be granted.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes
Section 9C(k-1)
Annotated Code of Maryland
(1975 Replacement Volume and 1975 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 9C(k-1) of Article 81 - Revenue and Taxes, of the Annotated Code of Maryland (1975 Replacement Volume and 1975 Supplement) be and it is hereby repealed and reenacted, with amendments, to read as follows:

Article 81 - Revenue and Taxes

9C.

(k-1) In Montgomery County, personal property owned by any nonprofit, nonstock cooperative housing corporations; LEASED REAL PROPERTY AND IMPROVEMENTS IN MONTGOMERY COUNTY USED EXCLUSIVELY AS A THEATRE BY NONPROFIT COMMUNITY THEATRICAL ORGANIZATIONS WHICH HAVE NO PAID OFFICERS, DIRECTORS OR EMPLOYEES, OTHER THAN CLERICAL OR MAINTENANCE EMPLOYEES, IF THE PAYMENT TO THE LESSOR UNDER THE LEASE IS LIMITED TO INTEREST, AMORTIZATION OF THE MORTGAGE, AND THE LESSOR'S OUT-OF-POCKET EXPENSES, EXCLUDING PROFIT OR RETURN TO THE LESSOR ON HIS INVESTMENT IN THE LAND OR IMPROVEMENTS ON IT. A THEATRE SHALL CONTAIN A MINIMUM OF 175 SEATS IN ORDER TO QUALIFY FOR A TAX CREDIT UNDER THIS SECTION. MONTGOMERY COUNTY MAY REQUIRE A QUALIFYING COMMUNITY THEATRICAL ORGANIZATION TO PAY AN ANNUAL CHARGE FOR