

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND  
Legislative Session 2010, Legislative Day No. 14

Bill No. 82-10

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Mr. T. Bryan McIntire, Councilman

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By the County Council, September 7, 2010

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A BILL  
ENTITLED

AN ACT concerning

Tax Credit - Energy Conservation Devices

FOR the purpose of authorizing a property tax credit for owners of residential real property that utilizes certain energy devices; defining terms; providing for the amount and duration of the credit; providing for eligible costs; limiting the annual amount of credits; providing for an application procedure; and generally relating to tax credits for energy conservation devices.

BY adding

Section 11-203.3  
Article 11. Taxation  
Title 2 - Ad Valorem Taxes  
Baltimore County Code, 2003

1 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY,  
2 MARYLAND, that Section 11-203.3 be and it is hereby added to Article 11. Taxation, Title 2 - Ad  
3 Valorem Taxes, of the Baltimore County Code 2003, to read as follows:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter stricken from existing law.  
~~Strike out~~ indicates matter stricken from bill.  
Underlining indicates amendments to bill.

1 §11-203.3. PROPERTY TAX CREDIT FOR ENERGY CONSERVATION DEVICES.

2 (A) DEFINITIONS.

3 (1) IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS  
4 INDICATED.

5 (2) SOLAR ENERGY DEVICE MEANS AN ENERGY CONSERVING DEVICE THAT:

6 (I) USES SOLAR ENERGY TO HEAT OR COOL A STRUCTURE, TO GENERATE  
7 ELECTRICITY TO BE USED IN THE STRUCTURE, OR TO PROVIDE HOT WATER FOR USE  
8 IN THE STRUCTURE; AND

9 (II) MEETS NATIONAL SAFETY AND PERFORMANCE STANDARDS SET BY  
10 A NATIONALLY RECOGNIZED TESTING LABORATORY FOR THAT TYPE OF DEVICE.

11 (3) GEOTHERMAL ENERGY DEVICE MEANS AN ENERGY CONSERVING DEVICE  
12 THAT:

13 (I) USES GEOTHERMAL ENERGY TO HEAT OR COOL A STRUCTURE OR TO  
14 PROVIDE HOT WATER FOR USE IN THE STRUCTURE; AND

15 (II) MEETS NATIONAL SAFETY AND PERFORMANCE STANDARDS SET BY  
16 A NATIONALLY RECOGNIZED TESTING LABORATORY FOR THAT TYPE OF DEVICE.

17 (B) CREDIT AUTHORIZED. IN ACCORDANCE WITH SECTION 9-203 OF THE TAX-  
18 PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND AND THE PROVISIONS  
19 OF THIS SECTION, THE OWNER OF REAL PROPERTY MAY RECEIVE A PROPERTY TAX  
20 CREDIT AGAINST THE COUNTY PROPERTY TAX IMPOSED ON A RESIDENTIAL  
21 STRUCTURE THAT UTILIZES A SOLAR ENERGY DEVICE OR GEOTHERMAL ENERGY  
22 DEVICE.

23 (C) AMOUNT OF CREDIT. THE TAX CREDIT ALLOWED UNDER THIS SECTION IS THE  
24 LESSER OF:

1 (1) 50% OF THE ELIGIBLE COSTS; OR

2 (2) \$5,000 FOR A HEATING SYSTEM OR \$1,500 FOR A HOT WATER SUPPLY  
3 SYSTEM.

4 (D) ELIGIBLE COSTS. ELIGIBLE COSTS ARE THOSE THAT ARE INCURRED:

5 (1) WITHIN THE 12 MONTHS BEFORE THE INITIAL APPLICATION FOR THE  
6 CREDIT; AND

7 (2) FOR THE SOLAR ENERGY DEVICE OR GEOTHERMAL ENERGY DEVICE,  
8 INCLUDING ANY PART, COMPONENT, OR ACCESSORY EQUIPMENT NECESSARY TO  
9 OPERATE THE DEVICE, AND REASONABLE COSTS ASSOCIATED WITH INSTALLING THE  
10 DEVICE.

11 (E) ANNUAL LIMIT ON AMOUNT OF CREDITS GRANTED.

12 (1) DURING A FISCAL YEAR, THE TOTAL OF ALL TAX CREDITS GRANTED UNDER  
13 THIS SECTION MAY NOT EXCEED \$250,000.

14 (2) CREDITS SHALL BE GRANTED IN THE ORDER IN WHICH THE DIRECTOR  
15 RECEIVES THE COMPLETE APPLICATIONS UNDER SUBSECTION (G) OF THIS SECTION.

16 (3) A COMPLETE APPLICATION THAT, IF GRANTED, WOULD CAUSE THE LIMIT  
17 SET FORTH IN PARAGRAPH (1) OF THIS SUBSECTION TO BE EXCEEDED, SHALL BE  
18 GRANTED IN THE NEXT FISCAL YEAR OR YEARS AND IN THE ORDER RECEIVED.

19 (F) APPLICATION OF THE CREDIT.

20 (1) THE AMOUNT OF THE CREDIT APPLIED IN A TAX YEAR MAY NOT EXCEED  
21 THE AMOUNT OF THE COUNTY PROPERTY TAX IMPOSED ON THE PROPERTY IN THAT  
22 TAX YEAR.

23 (2) ANY AMOUNT OF THE CREDIT NOT TAKEN IN THE TAX YEAR IN WHICH THE

1 APPLICATION IS GRANTED MAY BE CARRIED OVER FOR AN ADDITIONAL TWO YEARS.

2 (3) IF A TAX CREDIT IS CARRIED OVER UNDER THIS SUBSECTION, THE FULL  
3 AMOUNT OF THE TAX CREDIT SHALL BE DEDUCTED FROM THE TOTAL ANNUAL LIMIT  
4 SET FORTH IN SUBSECTION (E) OF THIS SECTION IN THE YEAR IN WHICH THE  
5 APPLICATION IS GRANTED.

6 (G) APPLICATION. AN APPLICATION FOR THE TAX CREDIT SHALL BE FILED ON OR  
7 BEFORE JUNE 1 IMMEDIATELY PRECEDING THE FIRST TAXABLE YEAR FOR WHICH  
8 THE TAX CREDIT IS SOUGHT.

9 (H) SUBMISSION OF APPLICATION. AN APPLICATION FOR THE TAX CREDIT SHALL BE:

10 (1) SUBMITTED TO THE DIRECTOR ON FORMS THAT THE DIRECTOR REQUIRES;

11 (2) ACCOMPANIED BY PROOF THAT THE TAXPAYER IS ENTITLED TO THE  
12 CREDIT; AND

13 (3) UNDER OATH.

14 (I) REVIEW OF APPLICATION. THE OFFICE OF BUDGET AND FINANCE SHALL:

15 (1) REVIEW EACH APPLICATION FOR A TAX CREDIT; AND

16 (2) GRANT OR DENY THE APPLICATION FOR A TAX CREDIT UNDER THIS  
17 SECTION.

18 (J) APPEAL OF DENIAL OR TERMINATION. A TAXPAYER WHOSE APPLICATION FOR A  
19 TAX CREDIT UNDER THIS SECTION IS DENIED BY THE DIRECTOR UNDER SUBSECTION  
20 (I) OF THIS SECTION MAY APPEAL THE DENIAL OR TERMINATION AS PROVIDED IN §  
21 11-2-204 OF THIS SUBTITLE.

1 (K) ADOPTION OF REGULATIONS. THE DIRECTOR MAY ADOPT REGULATIONS IN  
2 ACCORDANCE WITH ARTICLE 3, TITLE 7 OF THE CODE TO CARRY OUT THE  
3 PROVISIONS OF THIS SECTION.

4 SECTION 2. AND BE IT FURTHER ENACTED, that this Act shall take effect 45 days after  
5 its enactment.

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