

**CITY OF BALTIMORE
COUNCIL BILL 06-0454
(First Reader)**

Introduced by: Councilmembers Kraft, D’Adamo, Young, President Dixon, Councilmembers
Clarke, Reisinger, Rawlings Blake, Welch
Introduced and read first time: June 5, 2006
Assigned to: Taxation and Finance Committee

REFERRED TO THE FOLLOWING AGENCIES: Department of Housing and Community Development,
Department of Public Works, Department of Finance

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Property Tax Credits – Energy Devices**

3 FOR the purpose of granting a property tax credit for buildings for which certain energy devices
4 have been installed; defining certain terms; imposing certain limitations; and generally
5 relating to tax credits for qualifying energy devices.

6 BY adding

7 Article 28 - Taxes
8 Section(s) 10-16
9 Baltimore City Code
10 (Edition 2000)

11 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
12 Laws of Baltimore City read as follows:

13 **Baltimore City Code**

14 **Article 28. Taxes**

15 **Subtitle 10. Credits**

16 **§ 10-16. QUALIFIED ENERGY DEVICES.**

17 (A) *DEFINITIONS.*

18 (1) *IN GENERAL.*

19 IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

20 (2) *DIRECTOR.*

21 “DIRECTOR” MEANS THE DIRECTOR OF FINANCE OR DESIGNEE.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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1 (3) *QUALIFIED COSTS.*

2 (I) "QUALIFIED COSTS" MEANS THE COSTS TO PURCHASE, ASSEMBLE, AND INSTALL
3 A QUALIFIED ENERGY DEVICE.

4 (II) "QUALIFIED COSTS" INCLUDES COSTS FOR PURCHASE AND INSTALLATION OF
5 PIPING OR WIRING NEEDED TO CONNECT THESE DEVICES.

6 (4) *QUALIFIED ENERGY DEVICE.*

7 (I) "QUALIFIED ENERGY DEVICE" MEANS, EXCEPT AS PROVIDED IN SUBPARAGRAPH (II)
8 OF THIS PARAGRAPH, ANY:

9 (A) SOLAR PANEL THAT GENERATES ELECTRICITY FOR A BUILDING;

10 (B) SOLAR WATER-HEATING EQUIPMENT FOR A BUILDING; AND

11 (C) GEOTHERMAL ENERGY DEVICE FOR A BUILDING.

12 (II) "QUALIFIED ENERGY DEVICE" DOES NOT INCLUDE ANY DEVICE THAT IS USED, IN
13 WHOLE OR IN PART, TO HEAT A SWIMMING POOL, HOT TUB, OR SIMILAR
14 ACCESSORY.

15 (B) *CREDIT GRANTED.*

16 THERE IS ESTABLISHED A PROPERTY TAX CREDIT, AS AUTHORIZED IN STATE
17 TAX-PROPERTY ARTICLE § 9-203, AGAINST THE PROPERTY TAX IMPOSED ON BUILDINGS
18 FOR WHICH, ON OR AFTER JANUARY 1, 2006, A QUALIFIED ENERGY DEVICE HAS FIRST BEEN
19 PLACED IN SERVICE.

20 (C) *AMOUNT OF CREDIT; PHASE-IN.*

21 (1) THE AGGREGATE TAX CREDIT GRANTED UNDER THIS SECTION EQUALS:

22 (I) 30% OF THE QUALIFIED COSTS FOR A SOLAR PANEL, SUBJECT TO A MAXIMUM
23 CREDIT OF \$2,000; PLUS

24 (II) 30% OF THE QUALIFIED COSTS FOR SOLAR WATER-HEATING EQUIPMENT,
25 SUBJECT TO A MAXIMUM CREDIT OF \$2,000; PLUS

26 (III) 30% OF THE QUALIFIED COSTS FOR A GEOTHERMAL ENERGY DEVICE, SUBJECT
27 TO A MAXIMUM CREDIT OF \$2,000.

28 (2) THE AGGREGATE TAX CREDIT SHALL BE APPLIED TO THE PROPERTY TAX IMPOSED ON
29 THE REAL PROPERTY, AS FOLLOWS:

30 (I) 1/3 FOR THE 1ST TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
31 TAX CREDIT;

32 (II) 1/3 FOR THE 2ND TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
33 TAX CREDIT; AND

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1 (III) 1/3 FOR THE 3RD TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
2 TAX CREDIT.

3 (D) *ADMINISTRATION.*

4 THE DIRECTOR OF FINANCE MAY:

- 5 (1) ADOPT RULES AND REGULATIONS NECESSARY OR APPROPRIATE TO IMPLEMENT
6 THIS SECTION;
- 7 (2) SETTLE DISPUTED CLAIMS THAT MAY ARISE IN CONNECTION WITH THE CREDIT
8 AUTHORIZED BY THIS SECTION; AND
- 9 (3) DELEGATE POWERS, DUTIES, OR FUNCTIONS IN CONNECTION WITH THE
10 ADMINISTRATION OF THE CREDIT AUTHORIZED BY THIS SECTION TO THE CITY
11 COLLECTOR OR ANY OTHER EMPLOYEE OF THE CITY.

12 (E) *TERMINATION OF PROGRAM.*

13 NO CREDIT MAY BE GRANTED UNDER THIS SECTION FOR ANY ENERGY DEVICE FIRST
14 PLACED INTO SERVICE ON OR AFTER JANUARY 1, 2007.

15 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
16 are not law and may not be considered to have been enacted as a part of this or any prior
17 Ordinance.

18 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
19 after the date it is enacted.