

**CITY OF BALTIMORE
COUNCIL BILL 08-0058
(First Reader)**

Introduced by: Councilmembers Kraft, Cole, Henry, Branch, Young, Curran, D’Adamo, Clarke,
Conaway

Introduced and read first time: March 3, 2008

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and
Community Development, Department of Public Works, Department of Finance, Commission on
Sustainability

A BILL ENTITLED

1 AN ORDINANCE concerning

2 style="text-align:center">**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 style="text-align:center">**Baltimore City Code**

14 style="text-align:center">**Article 28. Taxes**

15 style="text-align:center">**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 OF ANY MATERIALS NEEDED FOR
5 PURCHASE, INSTALLATION, AND CONNECTION OF 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, 2008, 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 FOR A SINGLE-FAMILY
22 DWELLING EQUALS 1/3 OF THE QUALIFIED COSTS FOR A QUALIFIED ENERGY DEVICE,
23 SUBJECT TO A MAXIMUM CREDIT OF \$25,000.

24 (2) THE AGGREGATE TAX CREDIT GRANTED UNDER THIS SECTION FOR A MULTI-FAMILY
25 DWELLING OR FOR A COMMERCIAL- OR INDUSTRIAL-USE BUILDING EQUALS 1/3 OF THE
26 QUALIFIED COSTS FOR A QUALIFIED ENERGY DEVICE, SUBJECT TO A MAXIMUM CREDIT
27 OF \$150,000.

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

30 (I) 1/5 FOR THE 1ST TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
31 TAX CREDIT;

32 (II) 1/5 FOR THE 2ND TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
33 TAX CREDIT;

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1 (III) 1/5 FOR THE 3RD TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
2 TAX CREDIT;

3 (IV) 1/5 FOR THE 4TH TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES FOR THE
4 TAX CREDIT; AND

5 (V) 1/5 FOR THE 5TH TAXABLE YEAR IN WHICH THE PROPERTY QUALIFIES
6 FOR THE TAX CREDIT.

7 (D) *ADMINISTRATION.*

8 THE DIRECTOR OF FINANCE MAY:

9 (1) ADOPT RULES AND REGULATIONS NECESSARY OR APPROPRIATE TO IMPLEMENT
10 THIS SECTION;

11 (2) SETTLE DISPUTED CLAIMS THAT MAY ARISE IN CONNECTION WITH THE CREDIT
12 AUTHORIZED BY THIS SECTION; AND

13 (3) DELEGATE POWERS, DUTIES, OR FUNCTIONS IN CONNECTION WITH THE
14 ADMINISTRATION OF THE CREDIT AUTHORIZED BY THIS SECTION TO THE CITY
15 COLLECTOR OR ANY OTHER EMPLOYEE OF THE CITY.

16 (E) *TERMINATION OF PROGRAM.*

17 NO CREDIT MAY BE GRANTED UNDER THIS SECTION FOR ANY ENERGY DEVICE FIRST
18 PLACED INTO SERVICE ON OR AFTER JANUARY 1, 2012.

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

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