



Legislation Text

File #: 21-0115, Version: 0

Explanation: Capitals indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

* **Warning:** This is an unofficial, introductory copy of the bill.
The official copy considered by the City Council is the first reader copy.

Introductory*

**City of Baltimore
Council Bill**

Introduced by: Councilmember Bullock

A Bill Entitled

An Ordinance concerning
Tax Credit for Energy Conservation Devices

For the purpose of granting a tax credit against the City personal property tax imposed on a dwelling that uses a solar energy device or geothermal energy device; imposing certain qualifications for credit eligibility; providing for the amount and administration of the credit; allowing for carry-over of the credit; requiring an annual report regarding the credit; and defining certain terms.

By adding

Article 28 - Taxes
Section 10-31
Baltimore City Code
(Edition 2000)

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That the Laws of Baltimore City read as follows:

Baltimore City Code

Article 28. Taxes

Subtitle 10. Credits

§ 10-31. Energy Conservation Devices (Personal Property Tax Credit)

(a) *Definitions.*

(1) *In general.*

In this section, the following terms have the meanings indicated.

(2) *Eligible costs.*

“Eligible costs” means reasonable costs incurred:

- (i) within the 12 months before the initial application for the credit;
- (ii) for a solar energy device or geothermal energy device, including any part, component, or accessory equipment necessary to operate the device; and
- (iii) associated with installing the device.

(3) *Geothermal energy device.*

“Geothermal energy device” means an energy conserving device that:

- (i) uses geothermal energy to heat or cool a structure or to provide hot water for use in the structure; and
- (ii) meets national safety and performance standards set by a nationally recognized testing laboratory for that type of device.

(4) *Solar energy device.*

“Solar energy device” means an energy conserving device that:

- (i) uses solar energy to heat or cool a structure, to generate electricity to be used in the structure, or to provide hot water for use in the structure; and
- (ii) meets national safety and performance standards set by a nationally recognized testing laboratory for that type of device.

(b) *Credit granted.*

In accordance with State Tax-Property Article § 9-203, a tax credit is granted against the City personal property tax imposed on a dwelling that uses a solar energy device or geothermal energy device.

(c) *Qualifications.*

The owner of a dwelling that uses a solar energy device or geothermal energy device may qualify for the tax credit authorized by this section by:

- (1) filing a state income tax return as a resident of Baltimore City for each taxable year for which the credit is sought;
- (2) filing an application for the credit with the Director of the Department of Finance at least 90 days before the first tax year for which the credit is sought; and
- (3) satisfying all other conditions imposed by the regulations of the Director of the Department of Finance.

(d) *Amount of credit.*

In any taxable year, the amount of the credit granted to a dwelling under this section is the lesser of:

- (1) 50% of the eligible costs; or
- (2) \$5,000 for a heating system or \$1,500 for a hot water supply system.

(e) *Credit not to exceed property tax.*

The amount of a credit applied in a tax year may not exceed the amount of City personal property tax imposed on the dwelling in that tax year.

(f) *Credit carry-over.*

Any amount of the credit not taken in the tax year in which the application is granted may be carried over for an additional 2 years.

(g) *Application.*

The application must be in the form and contain the information that the Director of the Department of Finance requires.

(h) *Administration.*

The Director of the Department of Finance or the Director's designee:

- (1) shall, subject to Title 4 {"Administrative Procedure Act - Regulations"} of the City General Provisions Article, adopt rules and regulations to carry out this section, including procedures, forms, and documentation required to apply for the credit authorized by this section; and
- (2) may settle disputed claims arising in connection with the credit authorized by this section.

(i) *Reporting credits.*

The estimated amount of all tax credits received by owners under this section in any fiscal year shall be:

- (1) reported by the Director of the Department of Finance as a "tax expenditure" for that fiscal year; and
- (2) included in the publication of the City's budget for any subsequent fiscal year with the estimated or actual City property tax revenue for the applicable fiscal year.

(j) *Annual report.*

The Director of the Department of Finance or the Director's designee shall report annually to the Board of Estimates and to the Mayor and City Council any results and findings of any analysis of the tax credit, including the steps taken and proposed to be taken to promote and further the use of the tax credit program.

Section 2. And be it further ordained, That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

Section 3. And be it further ordained, That this Ordinance takes effect on the 30th day after the date it is enacted.