



# City of Baltimore

City Council  
City Hall, Room 408  
100 North Holliday Street  
Baltimore, Maryland 21202

## Legislation Details (With Text)

**File #:** 22-0193      **Version:** 0      **Name:** Real Property Tax Credit for Energy Conservation Devices  
**Type:** Ordinance      **Status:** Enacted  
**File created:** 1/24/2022      **In control:** Baltimore City Council  
**On agenda:**      **Final action:** 8/15/2022  
**Enactment date:**      **Enactment #:** 22-162

**Title:** Real Property Tax Credit for Energy Conservation Devices  
 For the purpose of granting a tax credit against the City real 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 the administration of the credit; creating an annual limit on the amount of credits granted; requiring an annual report regarding the credit; and defining certain terms.

**Sponsors:** John Bullock, Mark Conway, Isaac "Yitzy" Schleifer, Antonio "Tony" Glover, Odette Ramos, Kristerfer Burnett, James Torrence, Zeke Cohen, Danielle N. McCray, Sharon Green Middleton, Ryan Dorsey

**Indexes:** Conservation, Energy, Real Property, Tax Credits

**Code sections:**

**Attachments:** 1. 22-0193~ 1st Reader, 2. CHAP 22-0193, 3. Planning 22-0193, 4. DHCD 22-0193, 5. Law 22-0193, 6. Sustainability 22-0193, 7. Finance 22-0193, 8. cc22-0193(1)~1st (Comm), 9. 2nd Reader Amendments 22-0193(1)~1st (Comm), 10. 22-0193~3rd Reader, 11. cc22-0193(1)~3rd (Floor)(Bullock), 12. 22-0193(2)~3rd Reader, 13. 22-0193~Enrolled, 14. Completed Ordinance 22-0193

Date	Ver.	Action By	Action	Result
9/12/2022	0	Mayor	Signed by Mayor	
6/27/2022	0	Baltimore City Council	Approved and Sent to the Mayor	
6/13/2022	0	Baltimore City Council	Approved and Sent to the Mayor	
5/16/2022	0	Baltimore City Council	3rd Reader, for final passage	
5/16/2022	0	Ways and Means	Recommended Favorably with Amendment	
5/3/2022	0	Ways and Means	Recommended Favorably with Amendment	Pass
4/25/2022	0	Ways and Means	Scheduled for a Public Hearing	
1/27/2022	0	Baltimore City Council	Refer to Dept. of Housing and Community Development	
1/27/2022	0	Baltimore City Council	Refer to Dept. of Planning	
1/27/2022	0	Baltimore City Council	Refer to Office of Sustainability	
1/27/2022	0	Baltimore City Council	Refer to Dept. of Finance	
1/27/2022	0	Baltimore City Council	Refer to City Solicitor	
1/27/2022	0	Baltimore City Council	Refer to Commission for Historical & Architectural Preservation	
1/24/2022	0	Baltimore City Council	Assigned	
1/24/2022	0	Baltimore City Council	Introduced	

**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  
**Real Property Tax Credit for Energy Conservation Devices**

For the purpose of granting a tax credit against the City real 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 the administration of the credit; creating an annual limit on the amount of credits granted; 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 (Real 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 the purchase or lease of a solar energy device or geothermal energy device, including any part, component, or accessory equipment necessary to operate the device; and
- (iii) associated with installation of the solar energy device or the geothermal energy 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 portion of real property tax on a dwelling to which a solar energy device or geothermal energy device is installed and in use.

(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.*

The credit against the City portion of real property tax on 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 real property tax imposed on the dwelling in that tax year.

(f) *Annual limit on amount of credits granted.*

- (1) During a fiscal year, the total of all tax credits granted under this section may not exceed \$750,000.
- (2) Credits will be granted in the order in which the Director of the Department of Finance receives the complete applications under subsection (g) of this section.
- (3) A complete application that, if granted, would cause the limit set forth in paragraph (1) of this subsection to be exceeded, will be granted in the next fiscal year or years and in the order received.

(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 must 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 this Ordinance takes effect on the 30<sup>th</sup> day after the date it is enacted.