

SENATE BILL 251

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Q1

2001 Regular Session
1lr1766
CF 1lr1676

By: **Senator Middleton**
Introduced and read first time: January 25, 2001
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 22, 2001

CHAPTER 367

1 AN ACT concerning

2 **Charles County-- Property Tax Credits - Electricity Generation Facilities -**
3 **Effect on State Aid**

4 FOR the purpose of providing that certain ~~property~~ machinery and equipment
5 granted certain tax credits for certain purposes may not be treated as taxable
6 personal property for purposes of calculating the payment of certain State aid;
7 providing for the application of this Act; defining certain terms; and generally
8 relating to the treatment of certain property granted certain property tax credits
9 for purposes of calculating the payment of certain State aid.

10 BY ~~repealing and reenacting, with amendments, adding to~~
11 Article - Tax - Property
12 Section ~~9-310(d)~~ 9-239
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 2000 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Tax - Property**

18 ~~9-310.~~

19 ~~(d) (1) The governing body of Charles County may grant to new businesses~~
20 ~~located in the county a county property tax credit for machinery and equipment used~~
21 ~~in manufacturing, assembling, processing, or refining products for sale or for new~~
22 ~~facilities in the generation of electricity and may define, fix, or limit the amount,~~

1 terms, scope, and duration of any credit provided for or affirmed under this
2 subsection.

3 (2) ~~TO THE EXTENT THAT A TAX CREDIT IS GRANTED UNDER THIS~~
4 ~~SUBSECTION FOR MACHINERY AND EQUIPMENT THAT IS USED IN THE GENERATION~~
5 ~~OF ELECTRICITY FOR A NEW FACILITY THAT IS PERMITTED BY THE MARYLAND~~
6 ~~PUBLIC SERVICE COMMISSION PRIOR TO JUNE 1, 2002, THE PROPERTY MAY NOT BE~~
7 ~~TREATED AS TAXABLE PERSONAL PROPERTY FOR THE PURPOSE OF COMPUTING ANY~~
8 ~~PAYMENTS OF STATE AID TO EDUCATION UNDER § 5-202 OF THE EDUCATION~~
9 ~~ARTICLE OR OTHER PAYMENTS OF STATE AID TO COUNTIES OR MUNICIPAL~~
10 ~~CORPORATIONS THAT BY LAW ARE BASED ON THE ASSESSMENT OF PROPERTY.~~

11 (3) ~~PARAGRAPH (2) OF THIS SUBSECTION DOES NOT APPLY TO ANY~~
12 ~~PERSONAL PROPERTY UNLESS CHARLES COUNTY SUBMITS TO THE DEPARTMENT,~~
13 ~~ON OR BEFORE OCTOBER 31 OF THE TAXABLE YEAR FOR WHICH THE TAX CREDIT FOR~~
14 ~~THE PROPERTY IS GRANTED, THE INFORMATION REQUIRED UNDER § 9-201(B) OF~~
15 ~~THIS TITLE REGARDING THE TAX CREDIT.~~

16 9-239.

17 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
18 INDICATED.

19 (2) "MACHINERY AND EQUIPMENT OF A NEW ELECTRICITY GENERATION
20 FACILITY" MEANS MACHINERY AND EQUIPMENT USED IN THE GENERATION OF
21 ELECTRICITY AT A NEW ELECTRICITY GENERATION FACILITY.

22 (3) "MACHINERY AND EQUIPMENT OF AN EXISTING ELECTRICITY
23 GENERATION FACILITY" MEANS MACHINERY AND EQUIPMENT USED IN THE
24 GENERATION OF ELECTRICITY AND ADDED AS PART OF AN EXPANSION OF AN
25 EXISTING ELECTRICITY GENERATION FACILITY FOR THE PURPOSE OF INCREASING
26 ELECTRICITY PRODUCTION AT THE EXISTING ELECTRICITY GENERATION FACILITY.

27 (4) "NEW ELECTRICITY GENERATION FACILITY" MEANS AN ELECTRICITY
28 GENERATION FACILITY THAT:

29 (I) LOCATES IN A COUNTY ON OR AFTER JUNE 1, 2001; AND

30 (II) RECEIVES A CERTIFICATE OF PUBLIC CONVENIENCE AND
31 NECESSITY UNDER § 7-207 OF THE PUBLIC UTILITY COMPANIES ARTICLE.

32 (5) "EXISTING ELECTRICITY GENERATION FACILITY" MEANS AN
33 ELECTRICITY GENERATION FACILITY THAT:

34 (I) EXISTS IN A COUNTY BEFORE JUNE 1, 2001; AND

35 (II) RECEIVES APPROVAL FOR A MODIFICATION UNDER § 7-205 OF
36 THE PUBLIC UTILITY COMPANIES ARTICLE.

1 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, TO THE
2 EXTENT THAT A COUNTY GRANTS A PERSONAL PROPERTY TAX CREDIT FOR THE
3 MACHINERY AND EQUIPMENT OF A NEW ELECTRICITY GENERATION FACILITY OR
4 THE MACHINERY AND EQUIPMENT OF AN EXISTING ELECTRICITY GENERATION
5 FACILITY, THE MACHINERY AND EQUIPMENT MAY NOT BE TREATED AS TAXABLE
6 PERSONAL PROPERTY FOR THE PURPOSE OF COMPUTING ANY PAYMENTS OF STATE
7 AID TO EDUCATION UNDER § 5-202 OF THE EDUCATION ARTICLE OR OTHER
8 PAYMENTS OF STATE AID TO COUNTIES OR MUNICIPAL CORPORATIONS THAT BY LAW
9 ARE BASED ON THE ASSESSMENT OF PROPERTY.

10 (C) SUBSECTION (B) OF THIS SECTION DOES NOT APPLY TO ANY PERSONAL
11 PROPERTY UNLESS THE COUNTY SUBMITS TO THE DEPARTMENT, ON OR BEFORE
12 OCTOBER 31 OF THE TAXABLE YEAR FOR WHICH THE TAX CREDIT FOR THE
13 PROPERTY IS GRANTED, THE INFORMATION REQUIRED UNDER § 9-201(B) OF THIS
14 SUBTITLE REGARDING THE TAX CREDIT.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 June 1, 2001, and shall be applicable to the calculations of any payments of State aid
17 for the fiscal year that begins July 1, 2001, and for each subsequent fiscal year.