

# SENATE BILL 621

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CF 9lr2548

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By: **Senators King, Forehand, Garagiola, Harrington, Peters, Raskin, and Rosapepe**

Introduced and read first time: February 6, 2009

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use and Property Tax – Exemptions – Solar Energy Equipment and**  
3 **Property**

4 FOR the purpose of altering the definition of “solar energy equipment” for purposes of  
5 an exemption under the sales and use tax for certain geothermal equipment and  
6 solar energy equipment; altering the definition of “solar energy property” for  
7 purposes of a property tax exemption for certain solar energy equipment; and  
8 generally relating to certain tax exemptions for certain solar energy equipment.

9 BY repealing and reenacting, with amendments,  
10 Article – Tax – General  
11 Section 11–230  
12 Annotated Code of Maryland  
13 (2004 Replacement Volume and 2008 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – Property  
16 Section 7–242  
17 Annotated Code of Maryland  
18 (2007 Replacement Volume and 2008 Supplement)

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

21 **Article – Tax – General**

22 11–230.

23 (a) (1) In this section the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) "Geothermal equipment" means equipment that uses ground loop  
2 technology to heat and cool a structure.

3 (3) (i) "Solar energy equipment" means equipment that uses solar  
4 energy to heat or cool a structure, generate electricity [to be used in a structure], or  
5 provide hot water for use in a structure.

6 (ii) "Solar energy equipment" does not include equipment that is  
7 part of a nonsolar energy system or that uses any type of recreational facility or  
8 equipment as a storage medium.

9 (b) The sales and use tax does not apply to a sale of geothermal equipment or  
10 solar energy equipment.

11 **Article - Tax - Property**

12 7-242.

13 (a) In this section, "solar energy property" means equipment that is installed  
14 to use solar energy to generate electricity [to be used in a structure], or provide hot  
15 water for use in a structure.

16 (b) Except as provided in § 8-240 of this article, solar energy property is not  
17 subject to real property tax.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 July 1, 2009.