HOUSE BILL 502

By: Delegates Barve, Cardin, Carr, Gilchrist, Ivey, A. Miller, Rosenberg, and F. Turner

Introduced and read first time: February 7, 2011
Assigned to: Ways and Means

A BILL ENTITLED

AN ACT concerning

Sales and Use Tax – Sale of Electricity Generated by Solar Energy
Equipment – Exemption

FOR the purpose of providing an exemption from the sales and use tax for the sale of
electricity generated by certain solar energy equipment for certain purposes;
and generally relating to a sales and use tax exemption for the sale of certain electricity.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 11–207(a)
Annotated Code of Maryland
(2010 Replacement Volume)

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

Article – Tax – General

11–207.

(a) The sales and use tax does not apply to:

(1) a sale of electricity, steam, or artificial or natural gas for use in residential condominiums;

(2) a sale of electricity, steam, or artificial or natural gas that is delivered under a residential or domestic rate schedule on file with the Public Service Commission;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
(3) a sale of coal, firewood, heating oil, or propane gas or similar liquefied gas for use in residential property that contains not more than 4 units, cooperative housing, condominiums, or other similar residential living arrangements; [or]

(4) a sale of electricity through 3 or more bulk meters for use in a nonprofit planned retirement community of more than 2,000 housing cooperative or condominium units if:

   (i) ownership of units is restricted by age;

   (ii) any unit is served by an individual meter; and

   (iii) on or before July 1, 1979, at least 3 bulk meters served the community; OR

(5) A SALE OF ELECTRICITY GENERATED BY SOLAR ENERGY EQUIPMENT, AS DEFINED UNDER § 11–230 OF THIS SUBTITLE, FOR USE IN RESIDENTIAL PROPERTY OR FOR SUPPLY TO THE ELECTRIC GRID.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2011.