Unofficial Copy Q7

2000 Regular Session (0lr1950)

ENROLLED BILL

-- Ways and Means/Budget and Taxation --

Introdu	uced by Garrett County Delegation and Allegany County Delegation	
	Read and Examined by Proofreaders:	
		Proofreader.
	I with the Great Seal and presented to the Governor, for his approval this day of at o'clock,M.	Proofreader.
		Speaker.
	CHAPTER	
1 A	N ACT concerning	
2	Maryland-Mined Coal - Tax Credits	
3 FO 4 5 6 7 8 9 10 11	OR the purpose of modifying a credit against the public service company franchise tax available to a public service company, based on the purchase of Maryland-mined coal, by repealing a limitation on the availability of the credit to coal purchases exceeding that purchased in a specified year; repealing a termination date applicable to the credit; modifying a credit against the income tax available to a cogenerator, based on the purchase of Maryland-mined coal, by repealing a limitation on the availability of the credit to coal purchases exceeding that purchased in a specified year; extending availability of the credit against the income tax to certain electricity suppliers that are not subject to the	

15 BY repealing and reenacting, without amendments,

of tax credits to certain purchasers of Maryland coal.

public service company franchise tax; making stylistic changes; providing for the

application of this Act; and generally relating to the application and availability

Article - Public Utility Companies 16

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1 2 3	Annota		of Maryl nd 1999 S		ent)		
4 B' 5 6 7 8	Section 8-406(b) and 10-704.1 Annotated Code of Maryland						
9 B' 10 11 12	11 Chapter 833 of the Acts of the General Assembly of 1989						
13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 14 MARYLAND, That the Laws of Maryland read as follows:							
15					Article - Public Utility Companies		
16 1	-101.						
17	(j)	(1)	"Electri	city supp	olier" means a person:		
18			(i)	who sel	lls:		
19				1.	electricity;		
20				2.	electricity supply services;		
21				3.	competitive billing services; or		
22				4.	competitive metering services; or		
23 24 el	lectricity s	supply ser	(ii) rvices for		rchases, brokers, arranges, or markets electricity or retail electric customer.		
25 26 b	roker, and	(2) a market			olier" includes an electric company, an aggregator, a		
27		(3)	"Electri	city supp	olier" does not include:		
28 29 st	apply serv	rices solel	(i) y to occu		owing persons who supply electricity and electricity a building for use by the occupants:		
30 31 th	ne internal	distribut	ion syster	1. n serving	an owner/operator who holds ownership in and manages g the building; or		

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1 2	2. a lessee/operator who holds a leasehold interest in and manages the internal distribution system serving the building; or	
3	(ii) a person who generates on-site generated electricity.	
4	Article - Tax - General	
5	8-406.	
8 9	(b) A public service company, including any multijurisdictional public service company, may claim a credit against the public service company franchise tax in the amount of \$3 for each ton of Maryland-mined coal that the public service company purchased in the calendar year [in excess of the number of tons of Maryland-mined coal that the public service company purchased in 1986].	
11	10-704.1.	
12 13	(a) (1) In this section[, "cogenerator"] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.	
	(2) "COGENERATOR" means a qualifying cogenerator or qualifying small power producer as determined by the Federal Energy Regulatory Commission under the Public Utility Regulatory Policies Act of 1978.	
17 18	(3) "ELECTRICITY SUPPLIER" HAS THE MEANING STATED IN § 1-101 CTHE PUBLIC UTILITY COMPANIES ARTICLE.	OF
19	(b) THIS SECTION DOES NOT APPLY TO:	
20 21	$\underline{\rm (1)}$ — A COGENERATOR OR ELECTRICITY SUPPLIER THAT IS SUBJECT THE PUBLIC SERVICE COMPANY FRANCHISE TAX; OR	O
24	(2) AN ELECTRICITY SUPPLIER THAT, BEFORE JULY 1, 1999, WAS NOT ELECTRIC COMPANY AS DEFINED IN § 1-101 OF THE PUBLIC UTILITY COMPANIES ARTICLE AS IN EFFECT ON JUNE 30, 1999, UNLESS THE ELECTRICITY SUPPLIER IS AN AFFILIATE OF SUCH AN ELECTRIC COMPANY.	
28 29	(C) A cogenerator [that is not subject to the public service company franchise tax] OR ELECTRICITY SUPPLIER may claim a credit against the State income tax in the amount of \$3 for each ton of Maryland-mined coal that the cogenerator OR ELECTRICITY SUPPLIER purchased in the taxable year [in excess of the number of tons of Maryland-mined coal that the cogenerator purchased in calendar year 1986].	
	[(c)] (D) (1) A cogenerator OR ELECTRICITY SUPPLIER may only apply the credit against the State income tax for the taxable year in which the credit was earned.	
34 35	(2) The amount of the credit may not exceed the State income tax for that taxable year.	

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1	Chapter 792 of the Acts of 1988, as amended by Chapter 833 of the Acts of
2	1989

- 3 [SECTION 8. AND BE IT FURTHER ENACTED, That, at the end of June 30,
- 4 2001, and with no further action required by the General Assembly, this Act shall be
- 5 abrogated and of no further force or effect.]
- 6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 7 July 1, 2000 and shall be applicable to all taxable years beginning after December 31,
- 8 2000.