
By: **Delegate Sher**

Introduced and read first time: February 10, 2000

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **State Income Tax Credit for Competitive Transition Charges Paid for**
3 **On-Site Generated Electricity**

4 FOR the purpose of allowing a credit against the State income tax for competitive
5 transition charges paid to an electric company in the State for certain on-site
6 generated electricity generated at certain high energy efficiency facilities; and
7 providing for the application of this Act.

8 BY adding to
9 Article - Tax - General
10 Section 10-718
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 1999 Supplement)

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

15 **Article - Tax - General**

16 10-718.

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

19 (2) "COMPETITIVE TRANSITION CHARGE" HAS THE MEANING STATED IN
20 § 7-501 OF THE PUBLIC UTILITY COMPANIES ARTICLE.

21 (3) "ON-SITE GENERATED ELECTRICITY" HAS THE MEANING STATED IN
22 § 1-101 OF THE PUBLIC UTILITY COMPANIES ARTICLE.

23 (B) AN INDIVIDUAL OR CORPORATION MAY CLAIM A CREDIT AGAINST THE
24 STATE INCOME TAX FOR 100% OF THE AMOUNT OF COMPETITIVE TRANSITION
25 CHARGES PAID BY THE INDIVIDUAL OR CORPORATION TO AN ELECTRIC COMPANY IN
26 THE STATE DURING THE TAXABLE YEAR FOR ON-SITE GENERATED ELECTRICITY
27 GENERATED AT A FACILITY THAT COMBINES HEATING AND POWER OUTPUT WITH AN
28 ENERGY EFFICIENCY OF AT LEAST 70%.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2000 and shall be applicable to all taxable years beginning after December 31,
3 1999.