
By: **Delegates Rosenberg and Taylor**

Introduced and read first time: February 11, 2000

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit for Green Buildings**

3 FOR the purpose of providing for credits against the State income tax for certain costs
4 for construction or rehabilitation of buildings and certain equipment to meet
5 certain energy efficiency and environmental standards; allowing certain unused
6 credit to be carried forward to certain taxable years; providing for issuance of
7 certain initial credit component certificates by the Maryland Energy
8 Administration; limiting the annual and aggregate amount of initial credit
9 component certificates that the Administration may issue; prohibiting the
10 Administration from issuing an initial credit component certificate after a
11 certain date; requiring a taxpayer claiming a credit to obtain and file with the
12 income tax return a certain eligibility certificate from an architect or
13 professional engineer regarding compliance with certain requirements;
14 requiring a taxpayer claiming a credit to maintain certain records and submit
15 certain information to the Administration; authorizing the Comptroller, the
16 Administration, and the Department of the Environment to adopt certain
17 regulations; requiring the Comptroller and the Administration to submit a
18 certain report to the Governor and the General Assembly by a certain date;
19 requiring the Administration, in consultation with the Department of the
20 Environment, to adopt certain regulations establishing certain standards by a
21 certain date; requiring the Department of the Environment, in consultation with
22 the Department of Health and Mental Hygiene, to adopt certain regulations
23 establishing certain standards by a certain date; defining certain terms;
24 providing for the application of this Act; and generally relating to State income
25 tax credits for buildings, building components, and equipment that meet certain
26 energy efficiency and environmental standards.

27 BY adding to

28 Article - Tax - General

29 Section 10-718

30 Annotated Code of Maryland

31 (1997 Replacement Volume and 1999 Supplement)

32 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

33 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Tax - General**

2 10-718.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
4 INDICATED.5 (2) "ADMINISTRATION" MEANS THE MARYLAND ENERGY
6 ADMINISTRATION.7 (3) (I) "ALLOWABLE COSTS" MEANS AMOUNTS PROPERLY
8 CHARGEABLE TO CAPITAL ACCOUNT, OTHER THAN FOR LAND, THAT ARE PAID OR
9 INCURRED ON OR AFTER JULY 1, 2000, FOR:

10 1. CONSTRUCTION OR REHABILITATION;

11 2. COMMISSIONING COSTS;

12 3. INTEREST PAID OR INCURRED DURING THE
13 CONSTRUCTION OR REHABILITATION PERIOD;14 4. LEGAL, ARCHITECTURAL, ENGINEERING, AND OTHER
15 PROFESSIONAL FEES ALLOCABLE TO CONSTRUCTION OR REHABILITATION;16 5. CLOSING COSTS FOR CONSTRUCTION, REHABILITATION,
17 OR MORTGAGE LOANS;18 6. RECORDING TAXES AND FILING FEES INCURRED WITH
19 RESPECT TO CONSTRUCTION OR REHABILITATION;20 7. SITE COSTS, INCLUDING TEMPORARY ELECTRIC WIRING,
21 SCAFFOLDING, DEMOLITION COSTS, AND FENCING AND SECURITY FACILITIES; AND22 8. FURNITURE, CARPETING, PARTITIONS, WALLS AND WALL
23 COVERINGS, CEILINGS, DRAPES, BLINDS, LIGHTING, PLUMBING, ELECTRICAL
24 WIRING, AND VENTILATION.

25 (II) "ALLOWABLE COSTS" DOES NOT INCLUDE:

26 1. THE COST OF TELEPHONE SYSTEMS AND COMPUTERS,
27 OTHER THAN ELECTRICAL WIRING COSTS; OR28 2. THE COST OF PURCHASING OR INSTALLING FUEL CELLS
29 OR PHOTOVOLTAIC MODULES OR THE COST OF PURCHASING NEW AIR
30 CONDITIONING EQUIPMENT USING A NON-OZONE DEPLETING REFRIGERANT
31 APPROVED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY.32 (4) "APPLICABLE ENERGY EFFICIENCY STANDARDS" MEANS ENERGY
33 EFFICIENCY STANDARDS IN EFFECT AT THE TIME THE PROPERTY, CONSTRUCTION,
34 COMPLETION, OR REHABILITATION ON WHICH THE CREDIT ALLOWED UNDER THIS
35 SECTION IS BASED IS PLACED IN SERVICE, AS ESTABLISHED BY THE

1 ADMINISTRATION IN REGULATIONS ADOPTED UNDER SUBSECTION (N) OF THIS
2 SECTION.

3 (5) "BASE BUILDING" MEANS ALL AREAS OF A BUILDING NOT INTENDED
4 FOR OCCUPANCY BY A TENANT OR OWNER, INCLUDING THE STRUCTURAL
5 COMPONENTS OF THE BUILDING, EXTERIOR WALLS, FLOORS, WINDOWS, ROOFS,
6 FOUNDATIONS, CHIMNEYS AND STACKS, PARKING AREAS, MECHANICAL ROOMS AND
7 MECHANICAL SYSTEMS, AND OWNER-CONTROLLED OR OPERATED SERVICE SPACES,
8 SIDEWALKS, MAIN LOBBY, SHAFTS AND VERTICAL TRANSPORTATION MECHANISMS,
9 STAIRWAYS, AND CORRIDORS.

10 (6) "COMMISSIONING" MEANS:

11 (I) THE TESTING AND FINE-TUNING OF HEAT, VENTILATING, AND
12 AIR-CONDITIONING SYSTEMS AND OTHER SYSTEMS TO ASSURE PROPER
13 FUNCTIONING AND ADHERENCE TO DESIGN CRITERIA; AND

14 (II) THE PREPARATION OF SYSTEM OPERATION MANUALS AND
15 INSTRUCTION OF MAINTENANCE PERSONNEL.

16 (7) "CREDIT ALLOWANCE YEAR" MEANS THE LATER OF:

17 (I) THE TAXABLE YEAR DURING WHICH THE PROPERTY,
18 CONSTRUCTION, COMPLETION, OR REHABILITATION ON WHICH THE CREDIT
19 ALLOWED UNDER THIS SECTION IS BASED IS ORIGINALLY PLACED IN SERVICE; OR

20 (II) THE FIRST TAXABLE YEAR FOR WHICH THE CREDIT MAY BE
21 CLAIMED UNDER THE INITIAL CREDIT COMPONENT CERTIFICATE ISSUED UNDER
22 SUBSECTION (L) OF THIS SECTION.

23 (8) "ELIGIBLE BUILDING" MEANS A BUILDING LOCATED IN THE STATE
24 THAT IS:

25 (I) A BUILDING USED PRIMARILY FOR NONRESIDENTIAL
26 PURPOSES IF THE BUILDING CONTAINS AT LEAST 20,000 SQUARE FEET OF INTERIOR
27 SPACE;

28 (II) A RESIDENTIAL MULTI-FAMILY BUILDING WITH AT LEAST 12
29 DWELLING UNITS THAT CONTAINS AT LEAST 20,000 SQUARE FEET OF INTERIOR
30 SPACE;

31 (III) ONE OR MORE RESIDENTIAL MULTI-FAMILY BUILDINGS WITH
32 AT LEAST TWO DWELLING UNITS THAT ARE PART OF A SINGLE OR PHASED
33 CONSTRUCTION PROJECT THAT CONTAINS, IN THE AGGREGATE, AT LEAST 20,000
34 SQUARE FEET OF INTERIOR SPACE IF IN ANY SINGLE PHASE OF THE PROJECT AT
35 LEAST 10,000 SQUARE FEET OF INTERIOR SPACE IS UNDER CONSTRUCTION OR
36 REHABILITATION; OR

37 (IV) ANY COMBINATION OF BUILDINGS DESCRIBED IN ITEM (I), (II),
38 OR (III) OF THIS PARAGRAPH.

1 (9) "FUEL CELL" MEANS A DEVICE THAT PRODUCES ELECTRICITY
2 DIRECTLY FROM HYDROGEN OR HYDROCARBON FUEL THROUGH A
3 NON-COMBUSTIVE ELECTROCHEMICAL PROCESS.

4 (10) "GREEN BASE BUILDING" MEANS A BASE BUILDING THAT IS PART OF
5 AN ELIGIBLE BUILDING AND MEETS THE REQUIREMENTS SET OUT IN SUBSECTION
6 (J) OF THIS SECTION.

7 (11) "GREEN BUILDING" MEANS A BUILDING FOR WHICH THE BASE
8 BUILDING IS A GREEN BASE BUILDING AND ALL TENANT SPACE IS GREEN TENANT
9 SPACE.

10 (12) "GREEN TENANT SPACE" MEANS TENANT SPACE IN A BUILDING IF
11 THE BUILDING IS AN ELIGIBLE BUILDING AND THE TENANT SPACE MEETS THE
12 REQUIREMENTS OF SUBSECTION (K) OF THIS SECTION.

13 (13) "INCREMENTAL COST OF BUILDING-INTEGRATED PHOTOVOLTAIC
14 MODULES" MEANS:

15 (I) THE COST OF BUILDING-INTEGRATED PHOTOVOLTAIC
16 MODULES AND ANY ASSOCIATED INVERTER, ADDITIONAL WIRING OR OTHER
17 ELECTRICAL EQUIPMENT, OR ADDITIONAL MOUNTING OR STRUCTURAL MATERIALS,
18 LESS THE COST OF SPANDREL GLASS OR OTHER BUILDING MATERIAL THAT WOULD
19 HAVE BEEN USED IF BUILDING-INTEGRATED PHOTOVOLTAIC MODULES WERE NOT
20 INSTALLED;

21 (II) INCREMENTAL LABOR COSTS PROPERLY ALLOCABLE TO
22 ON-SITE PREPARATION, ASSEMBLY, AND ORIGINAL INSTALLATION OF
23 PHOTOVOLTAIC MODULES; AND

24 (III) INCREMENTAL ARCHITECTURAL AND ENGINEERING SERVICES
25 AND DESIGNS AND PLANS DIRECTLY RELATED TO THE CONSTRUCTION OR
26 INSTALLATION OF PHOTOVOLTAIC MODULES.

27 (14) "QUALIFYING ALTERNATE ENERGY SOURCES" MEANS
28 BUILDING-INTEGRATED AND NON-BUILDING-INTEGRATED PHOTOVOLTAIC
29 MODULES AND FUEL CELLS INSTALLED TO SERVE THE BASE BUILDING OR TENANT
30 SPACE THAT:

31 (I) HAVE THE CAPABILITY TO MONITOR THEIR AC OUTPUT; AND

32 (II) ARE VALIDATED UPON INSTALLATION, AND ANNUALLY
33 THEREAFTER, TO ENSURE THAT THE SYSTEMS MEET THEIR DESIGN
34 SPECIFICATIONS.

35 (15) "REVITALIZATION AREA" MEANS:

36 (I) AN AREA DESIGNATED AS AN ENTERPRISE ZONE BY THE
37 SECRETARY UNDER ARTICLE 83A, § 5-402 OF THE CODE OR BY THE UNITED STATES
38 GOVERNMENT;

1 (II) AN AREA DESIGNATED AS AN EMPOWERMENT ZONE BY THE
2 UNITED STATES GOVERNMENT PURSUANT TO 26 U.S.C. § 1391 ET SEQ.; OR

3 (III) AN AREA DESIGNATED AS AN ELIGIBLE NEIGHBORHOOD FOR
4 ECONOMIC REVITALIZATION ASSISTANCE UNDER ARTICLE 83B, § 4-203 OF THE CODE.

5 (16) "TENANT IMPROVEMENTS" MEANS IMPROVEMENTS THAT ARE
6 NECESSARY OR APPROPRIATE TO SUPPORT OR CONDUCT THE BUSINESS OF A
7 TENANT OR OCCUPYING OWNER.

8 (17) "TENANT SPACE" MEANS THE PORTION OF A BUILDING INTENDED
9 FOR OCCUPANCY BY A TENANT OR OCCUPYING OWNER.

10 (B) (1) AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST
11 THE STATE INCOME TAX AS PROVIDED UNDER THIS SECTION FOR GREEN BUILDINGS
12 AND GREEN BUILDING COMPONENTS.

13 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE
14 STATE INCOME TAX, ANY UNUSED CREDIT MAY BE CARRIED FORWARD AND APPLIED
15 FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

16 (I) THE FULL AMOUNT OF THE CREDIT IS USED; OR

17 (II) THE EXPIRATION OF THE 15TH YEAR AFTER THE TAXABLE
18 YEAR FOR WHICH THE CREDIT WAS ALLOWED.

19 (C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE CREDIT
20 ALLOWED UNDER THIS SECTION EQUALS THE SUM OF THE CREDIT COMPONENTS AS
21 SPECIFIED IN SUBSECTIONS (D) THROUGH (I) OF THIS SECTION.

22 (2) THE CREDIT MAY NOT BE ALLOWED UNLESS THE TAXPAYER HAS
23 COMPLIED WITH THE REQUIREMENTS FOR REPORTS TO THE ADMINISTRATION
24 UNDER SUBSECTION (M) OF THIS SECTION.

25 (3) FOR EACH OF THE CREDIT COMPONENTS UNDER SUBSECTIONS (D)
26 THROUGH (I) OF THIS SECTION:

27 (I) THE CREDIT MAY NOT BE ALLOWED FOR ANY TAXABLE YEAR
28 UNLESS:

29 1. THE TAXPAYER HAS OBTAINED AND FILED AN INITIAL
30 CREDIT COMPONENT CERTIFICATE AND AN ELIGIBILITY CERTIFICATE ISSUED
31 UNDER SUBSECTION (L) OF THIS SECTION;

32 2. A CERTIFICATE OF OCCUPANCY FOR THE BUILDING HAS
33 BEEN ISSUED; AND

34 3. THE PROPERTY WITH RESPECT TO WHICH THE CREDIT IS
35 CLAIMED IS IN SERVICE DURING THE TAXABLE YEAR;

1 (II) THE CREDIT AMOUNT ALLOWED FOR THE CREDIT COMPONENT
2 MAY BE CLAIMED:

3 1. FOR THE CREDIT ALLOWANCE YEAR; AND

4 2. FOR EACH OF THE 4 TAXABLE YEARS SUCCEEDING THE
5 CREDIT ALLOWANCE YEAR; AND

6 (III) THE CREDIT MAY NOT EXCEED THE MAXIMUM SET FORTH IN
7 THE INITIAL CREDIT COMPONENT CERTIFICATE OBTAINED UNDER SUBSECTION (L)
8 OF THIS SECTION.

9 (4) IN DETERMINING THE AMOUNT OF THE CREDIT COMPONENTS, A
10 COST PAID OR INCURRED MAY NOT BE THE BASIS FOR MORE THAN ONE CREDIT
11 COMPONENT.

12 (5) (I) IF A BUILDING FOR WHICH A CREDIT IS ALLOWED TO A
13 BUILDING OWNER UNDER THIS SECTION IS SOLD, THE NEW OWNER MAY CLAIM THE
14 CREDIT FOR THE PERIOD AFTER THE SALE.

15 (II) IF A TENANCY FOR A BUILDING FOR WHICH A CREDIT IS
16 ALLOWED TO A TENANT UNDER THIS SECTION IS TERMINATED BUT THE PROPERTY
17 REMAINS IN USE BY A SUCCESSOR TENANT, THE SUCCESSOR TENANT MAY CLAIM
18 THE CREDIT FOR THE PERIOD AFTER THE TERMINATION.

19 (III) THE CREDIT FOR THE YEAR OF A SALE OR THE YEAR OF
20 TERMINATION OF A TENANCY SHALL BE ALLOCATED BETWEEN THE PARTIES BASED
21 ON THE NUMBER OF DAYS DURING THE YEAR THAT THE PROPERTY OR INTEREST
22 WAS HELD OR USED BY EACH.

23 (IV) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF A
24 CREDIT IS CLAIMED BY A SUCCESSOR OWNER OR TENANT UNDER THIS PARAGRAPH,
25 THE COMPTROLLER MAY DISCLOSE TO THE SUCCESSOR OWNER OR TENANT ANY
26 INFORMATION RELATING TO THE CREDIT OF THE PRIOR OWNER OR TENANT THAT IS
27 THE BASIS FOR THE DENIAL IN WHOLE OR IN PART OF THE CREDIT CLAIMED BY THE
28 SUCCESSOR OWNER OR TENANT.

29 (D) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
30 EQUAL TO THE APPLICABLE PERCENTAGE OF THE ALLOWABLE COSTS PAID OR
31 INCURRED BY AN OWNER OR TENANT FOR THE CONSTRUCTION OF A GREEN
32 BUILDING OR THE REHABILITATION OF A BUILDING THAT IS NOT A GREEN BUILDING
33 TO BE A GREEN BUILDING.

34 (2) THE APPLICABLE PERCENTAGE FOR THE CREDIT COMPONENT
35 UNDER THIS SUBSECTION FOR A GREEN WHOLE BUILDING ELIGIBLE SHALL BE:

36 (I) 1.4% UNLESS THE BUILDING IS LOCATED IN A REVITALIZATION
37 AREA; OR

38 (II) 1.6% IF THE BUILDING IS LOCATED IN A REVITALIZATION AREA.

1 (3) THE ALLOWABLE COSTS USED TO DETERMINE THE CREDIT AMOUNT
2 ALLOWED UNDER THIS SUBSECTION FOR A GREEN WHOLE BUILDING MAY NOT
3 EXCEED, IN THE AGGREGATE:

4 (I) \$150 PER SQUARE FOOT FOR THAT PORTION OF THE BUILDING
5 THAT COMPRISES THE BASE BUILDING; AND

6 (II) \$75 PER SQUARE FOOT FOR THAT PORTION OF THE BUILDING
7 THAT COMPRISES THE TENANT SPACE.

8 (E) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
9 EQUAL TO THE APPLICABLE PERCENTAGE OF THE ALLOWABLE COSTS PAID OR
10 INCURRED BY AN OWNER FOR THE CONSTRUCTION OF A GREEN BASE BUILDING OR
11 THE REHABILITATION OF A BUILDING THAT IS NOT A GREEN BASE BUILDING TO BE A
12 GREEN BASE BUILDING.

13 (2) THE APPLICABLE PERCENTAGE FOR THE CREDIT COMPONENT
14 UNDER THIS SUBSECTION FOR A GREEN BASE BUILDING SHALL BE:

15 (I) 1.0% UNLESS THE BUILDING IS LOCATED IN A REVITALIZATION
16 AREA; OR

17 (II) 1.2% IF THE BUILDING IS LOCATED IN A REVITALIZATION AREA.

18 (3) THE ALLOWABLE COSTS USED TO DETERMINE THE CREDIT AMOUNT
19 ALLOWED UNDER THIS SUBSECTION FOR A GREEN BASE BUILDING MAY NOT
20 EXCEED, IN THE AGGREGATE, \$150 PER SQUARE FOOT.

21 (F) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
22 EQUAL TO THE APPLICABLE PERCENTAGE OF THE ALLOWABLE COSTS FOR TENANT
23 IMPROVEMENTS PAID OR INCURRED BY AN OWNER OR TENANT IN THE
24 CONSTRUCTION OR COMPLETION OF GREEN TENANT SPACE OR THE
25 REHABILITATION OF TENANT SPACE THAT IS NOT GREEN TENANT SPACE TO BE
26 GREEN TENANT SPACE.

27 (2) THE APPLICABLE PERCENTAGE FOR THE CREDIT COMPONENT
28 UNDER THIS SUBSECTION FOR GREEN TENANT SPACE SHALL BE:

29 (I) 1.0% UNLESS THE BUILDING IS LOCATED IN A REVITALIZATION
30 AREA; OR

31 (II) 1.2% IF THE BUILDING IS LOCATED IN A REVITALIZATION AREA.

32 (3) (I) THE ALLOWABLE COSTS USED TO DETERMINE THE CREDIT
33 AMOUNT ALLOWED UNDER THIS SUBSECTION FOR GREEN TENANT SPACE MAY NOT
34 EXCEED, IN THE AGGREGATE, \$75 PER SQUARE FOOT.

35 (II) IF AN OWNER AND TENANT BOTH INCUR ALLOWABLE COSTS
36 FOR TENANT IMPROVEMENTS UNDER THIS SUBSECTION AND THE COSTS EXCEED \$75
37 IN THE AGGREGATE, THE OWNER HAS PRIORITY AS TO COSTS CONSTITUTING THE

1 BASIS FOR THE GREEN TENANT SPACE CREDIT COMPONENT UNDER THIS
2 SUBSECTION.

3 (4) UNLESS THE BASE BUILDING IS A GREEN BASE BUILDING, THE
4 CREDIT COMPONENT UNDER THIS SECTION FOR GREEN TENANT SPACE MAY NOT BE
5 CLAIMED BY AN OWNER OF THE BUILDING OR BY A TENANT THAT OCCUPIES FEWER
6 THAN 10,000 SQUARE FEET OF THE BUILDING.

7 (G) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
8 EQUAL TO THE AMOUNT DETERMINED UNDER THIS SUBSECTION FOR THE
9 INSTALLATION OF A FUEL CELL THAT IS A QUALIFYING ALTERNATE ENERGY
10 SOURCE AND IS INSTALLED TO SERVE A GREEN BUILDING, GREEN BASE BUILDING,
11 OR GREEN TENANT SPACE.

12 (2) THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION IS
13 6% OF THE SUM OF THE CAPITALIZED COSTS PAID OR INCURRED BY AN OWNER OR
14 TENANT WITH RESPECT TO EACH FUEL CELL INSTALLED, INCLUDING THE COST OF
15 THE FOUNDATION OR PLATFORM AND THE LABOR COSTS ASSOCIATED WITH
16 INSTALLATION.

17 (3) THE COSTS USED TO DETERMINE THE CREDIT AMOUNT ALLOWED
18 UNDER THIS SUBSECTION FOR INSTALLATION OF A FUEL CELL:

19 (I) MAY NOT EXCEED \$100,000 PER KILOWATT OF INSTALLED DC
20 RATED CAPACITY OF THE FUEL CELL; AND

21 (II) SHALL BE REDUCED BY THE AMOUNT OF ANY FEDERAL, STATE,
22 OR LOCAL GRANT:

23 1. RECEIVED BY THE TAXPAYER AND USED FOR THE
24 PURCHASE OR INSTALLATION OF THE FUEL CELL; AND

25 2. NOT INCLUDED IN THE FEDERAL GROSS INCOME OF THE
26 TAXPAYER.

27 (H) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
28 EQUAL TO THE AMOUNT DETERMINED UNDER THIS SUBSECTION FOR THE
29 INSTALLATION OF PHOTOVOLTAIC MODULES THAT CONSTITUTE A QUALIFYING
30 ALTERNATE ENERGY SOURCE AND ARE INSTALLED TO SERVE A GREEN BUILDING,
31 GREEN BASE BUILDING, OR GREEN TENANT SPACE.

32 (2) THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION
33 IS:

34 (I) 20% OF THE INCREMENTAL COST PAID OR INCURRED BY AN
35 OWNER OR TENANT FOR BUILDING-INTEGRATED PHOTOVOLTAIC MODULES; AND

36 (II) 5% OF THE COST OF NON-BUILDING-INTEGRATED
37 PHOTOVOLTAIC MODULES, INCLUDING THE COST OF THE FOUNDATION OR
38 PLATFORM AND THE LABOR COSTS ASSOCIATED WITH INSTALLATION.

1 (3) THE COSTS USED TO DETERMINE THE CREDIT AMOUNT ALLOWED
2 UNDER THIS SUBSECTION FOR INSTALLATION OF PHOTOVOLTAIC MODULES:

3 (I) MAY NOT EXCEED THE PRODUCT OBTAINED BY MULTIPLYING
4 \$3 TIMES THE NUMBER OF WATTS INCLUDED IN THE DC RATED CAPACITY OF THE
5 PHOTOVOLTAIC MODULES; AND

6 (II) SHALL BE REDUCED BY THE AMOUNT OF ANY FEDERAL, STATE,
7 OR LOCAL GRANT:

8 1. RECEIVED BY THE TAXPAYER AND USED FOR THE
9 PURCHASE OR INSTALLATION OF THE PHOTOVOLTAIC EQUIPMENT; AND

10 2. NOT INCLUDED IN THE FEDERAL GROSS INCOME OF THE
11 TAXPAYER.

12 (I) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
13 EQUAL TO 2% OF THE COST OF NEW AIR-CONDITIONING EQUIPMENT, INCLUDING
14 CHILLERS AND ABSORPTION CHILLERS, WATER OR AIR COOLED UNITARY
15 EQUIPMENT, WATER-COOLED HEAT PUMPS, PACKAGED TERMINAL HEAT PUMPS,
16 AND OTHER SIMILAR AIR-CONDITIONING EQUIPMENT, THAT USES A NON-OZONE
17 DEPLETING REFRIGERANT APPROVED BY THE UNITED STATES ENVIRONMENTAL
18 PROTECTION AGENCY AND IS INSTALLED TO SERVE A GREEN BUILDING, GREEN
19 BASE BUILDING, OR GREEN TENANT SPACE.

20 (J) (1) TO QUALIFY AS A GREEN BASE BUILDING ELIGIBLE FOR THE TAX
21 CREDITS UNDER THIS SECTION, A BASE BUILDING SHALL MEET THE REQUIREMENTS
22 OF THIS SUBSECTION.

23 (2) (I) ENERGY USE SHALL BE NO MORE THAN 65% FOR NEW
24 CONSTRUCTION OF A BASE BUILDING, OR 75% IN THE CASE OF REHABILITATION OF A
25 BASE BUILDING, OF THE USE PERMITTED UNDER APPLICABLE ENERGY EFFICIENCY
26 STANDARDS.

27 (II) ALL APPLIANCES AND ANY HEATING, COOLING, AND WATER
28 HEATING EQUIPMENT USED IN THE BASE BUILDING SHALL MEET APPLICABLE
29 ENERGY EFFICIENCY STANDARDS.

30 (3) (I) 1. THE BASE BUILDING SHALL COMPLY WITH ALL
31 APPLICABLE ZONING, LAND USE, AND EROSION CONTROL REQUIREMENTS,
32 STORMWATER MANAGEMENT ORDINANCES, BUILDING CODE REQUIREMENTS, AND
33 ENVIRONMENTAL REGULATIONS.

34 2. FOR THE REHABILITATION OF AN EXISTING BUILDING,
35 ALL EXISTING ENVIRONMENTAL HAZARDS SHALL BE IDENTIFIED AND MANAGED IN
36 ACCORDANCE WITH APPLICABLE LAWS, REGULATIONS, AND INDUSTRY GUIDELINES.

37 (II) FOR A BUILDING USED PRIMARILY FOR NONRESIDENTIAL
38 PURPOSES, THE BUILDING SHALL MEET THE FOLLOWING INDOOR AIR QUALITY
39 REQUIREMENTS:

1 1. VENTILATION AND EXCHANGE OF INDOOR AND OUTDOOR
2 AIR SHALL MEET APPLICABLE STANDARDS ESTABLISHED BY REGULATIONS
3 ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH
4 THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER SUBSECTION (N) OF
5 THIS SECTION;

6 2. IF SMOKING IS PERMITTED IN SPECIFIC AREAS OF THE
7 BUILDING, SEPARATE AIR VENTILATION AND CIRCULATION SHALL BE PROVIDED
8 FOR SMOKING AND NONSMOKING AREAS;

9 3. THE VENTILATION SYSTEM SHALL INCLUDE AN AIR
10 PURGING SYSTEM THAT IS CAPABLE OF REPLACING 100% OF THE AIR ON ANY FLOOR,
11 ON A MINIMUM OF TWO FLOORS AT A TIME; AND

12 4. THE AIR SHALL BE PURGED FOR A PERIOD OF 1 WEEK ON
13 EVERY FLOOR IMMEDIATELY PRIOR TO INITIAL OCCUPANCY AND ON ANY FLOOR
14 THAT UNDERGOES RENOVATION IMMEDIATELY PRIOR TO RE-OCCUPANCY, UNLESS
15 THE TAXPAYER OBTAINS CERTIFICATION FROM A LICENSED ARCHITECT, ENGINEER,
16 CERTIFIED INDUSTRIAL HYGIENIST, OR OTHER LICENSED OR CERTIFIED
17 PROFESSIONAL APPROVED BY THE SECRETARY OF THE ENVIRONMENT, VERIFYING
18 THAT OFF-GASSING AND ANY OTHER CONTAMINATION CAN BE REDUCED TO
19 COMPARABLE LEVELS IN LESS THAT 1 WEEK.

20 (4) BUILDING FRESH AIR INTAKE SHALL BE LOCATED A MINIMUM OF 25
21 FEET AWAY FROM LOADING AREAS, BUILDING EXHAUST FANS, COOLING TOWERS,
22 AND OTHER POINT SOURCES OF CONTAMINATION.

23 (5) THE VENTILATION SYSTEM COMPONENTS AND PATHWAYS:

24 (I) SHALL BE PROTECTED DURING CONSTRUCTION OR
25 REHABILITATION FROM CONTAMINATION IN ACCORDANCE WITH AN INDOOR AIR
26 QUALITY MANAGEMENT PLAN FOR THE CONSTRUCTION OR REHABILITATION
27 PROCESS THAT MEETS THE STANDARDS ESTABLISHED IN REGULATIONS ADOPTED
28 BY THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH THE
29 DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER SUBSECTION (N) OF THIS
30 SECTION; OR

31 (II) SHALL BE CLEANED PRIOR TO OCCUPANCY.

32 (6) (I) A LICENSED ENGINEER, CERTIFIED INDUSTRIAL HYGIENIST,
33 OR OTHER LICENSED OR CERTIFIED PROFESSIONAL APPROVED BY THE SECRETARY
34 OF THE ENVIRONMENT, SHALL CONDUCT INDOOR AIR QUALITY TESTING WITH
35 RESPECT TO THE ENTIRE BUILDING IMMEDIATELY FOLLOWING OCCUPANCY, AND
36 ON AN ANNUAL BASIS, SHALL MONITOR SUPPLY AND RETURN AIR AND AMBIENT AIR
37 FOR CARBON MONOXIDE, CARBON DIOXIDE, TOTAL VOLATILE ORGANIC
38 COMPOUNDS, RADON, AND PARTICULATE MATTER.

39 (II) AFTER RADON MEASUREMENTS HAVE BEEN FOUND TO BE
40 SATISFACTORY, SUBSEQUENT ANNUAL TESTING FOR RADON IS NOT REQUIRED
41 UNDER THIS PARAGRAPH.

1 (7) THE MECHANICAL PLANT OF THE BUILDING SHALL BE
2 COMMISSIONED IN ACCORDANCE WITH THE STANDARDS ESTABLISHED IN
3 REGULATIONS ADOPTED BY THE ADMINISTRATION, IN CONSULTATION WITH THE
4 DEPARTMENT OF THE ENVIRONMENT, WHICH STANDARDS SHALL BE INFORMED BY
5 DOCUMENTS SUCH AS THE AMERICAN SOCIETY OF HEATING, REFRIGERATING AND
6 AIR CONDITIONING ENGINEERS ASHRAE G-1 AND THE UNITED STATES GENERAL
7 SERVICES ADMINISTRATION "MODEL COMMISSIONING PLAN AND GUIDE
8 SPECIFICATIONS".

9 (8) SEPARATE WASTE DISPOSAL CHUTES OR A CAROUSEL COMPACTOR
10 SYSTEM FOR RECYCLABLE MATERIALS SHALL BE PROVIDED FOR THE RECYCLING OF
11 WASTE BY OCCUPANTS, OR RECYCLING SHALL BE OTHERWISE FACILITATED BY, AT A
12 MINIMUM, PROVIDING A READILY ACCESSIBLE DESIGNATED COLLECTION AREA OR
13 AREAS WITH SUFFICIENT SPACE TO STORE RECYCLABLE MATERIALS SEPARATELY
14 BETWEEN COLLECTION DATES.

15 (9) ALL PLUMBING FIXTURES IN THE PUBLIC AREAS OF THE BUILDING
16 SHALL MEET THE PLUMBING FIXTURE REQUIREMENTS OF THE FEDERAL ENERGY
17 POLICY ACT OF 1992 OR ANY SUCCESSOR PROVISION IN EFFECT AT THE TIME THE
18 BUILDING OR REHABILITATION IS PLACED IN SERVICE.

19 (10) PRIOR TO INITIAL OCCUPANCY AND ON REQUEST, THE OWNER OF
20 THE BUILDING SHALL PROVIDE EACH TENANT WITH:

21 (I) WRITTEN NOTIFICATION OF THE OPPORTUNITY TO APPLY FOR
22 A TAX CREDIT UNDER THIS SECTION; AND

23 (II) WRITTEN GUIDELINES REGARDING OPPORTUNITIES TO
24 IMPROVE THE ENERGY EFFICIENCY AND AIR QUALITY OF TENANT SPACE AND TO
25 REDUCE AND RECYCLE WASTE STREAMS.

26 (11) ALL NEWLY PURCHASED BUILDING MATERIALS, FINISHES, AND
27 FURNISHINGS USED IN THE BASE BUILDING THAT ARE SUBJECT TO THE
28 REGULATIONS ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT, IN
29 CONSULTATION WITH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER
30 SUBSECTION (N) OF THIS SECTION, SHALL MEET THE STANDARDS ESTABLISHED BY
31 THOSE REGULATIONS IN EFFECT AT THE TIME THE BUILDING OR REHABILITATION
32 IS PLACED IN SERVICE.

33 (12) ALL TENANT SPACE IN THE BUILDING OCCUPIED BY THE OWNER
34 MUST BE GREEN TENANT SPACE.

35 (K) (1) TO QUALIFY AS GREEN TENANT SPACE ELIGIBLE FOR THE TAX
36 CREDIT UNDER THIS SECTION, TENANT SPACE SHALL MEET THE REQUIREMENTS OF
37 THIS SUBSECTION.

38 (2) (I) ENERGY USE FOR TENANT SPACE SHALL BE NO MORE THAN
39 65% IN THE CASE OF NEW CONSTRUCTION, OR 75% IN THE CASE OF REHABILITATION,
40 OF THE USE PERMITTED UNDER THE APPLICABLE ENERGY EFFICIENCY STANDARDS.

1 (II) ALL APPLIANCES AND ANY HEATING, COOLING, AND WATER
2 HEATING EQUIPMENT USED IN THE TENANT SPACE SHALL MEET APPLICABLE
3 ENERGY EFFICIENCY STANDARDS.

4 (3) (I) THE TENANT SPACE SHALL COMPLY WITH ALL APPLICABLE
5 BUILDING CODE REQUIREMENTS AND ENVIRONMENTAL REGULATIONS AND, WITH
6 RESPECT TO PROJECTS OTHER THAN NEW CONSTRUCTION, ALL EXISTING
7 ENVIRONMENTAL HAZARDS SHALL BE IDENTIFIED AND MANAGED IN ACCORDANCE
8 WITH APPLICABLE LAWS, REGULATIONS, AND INDUSTRY GUIDELINES.

9 (II) IN THE CASE OF BUILDINGS PRIMARILY USED FOR
10 NONRESIDENTIAL PURPOSES, VENTILATION AND EXCHANGE OF INDOOR AND
11 OUTDOOR AIR SHALL MEET THE STANDARDS ESTABLISHED IN REGULATIONS
12 ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH
13 THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE.

14 (III) FOR BUILDINGS IN WHICH SMOKING IS PERMITTED, THE
15 TAXPAYER SHALL ENSURE THAT, IF SMOKING IS PERMITTED IN THE TENANT SPACE,
16 IT IS PERMITTED ONLY IN AREAS IN WHICH THE AIR VENTILATION AND
17 CIRCULATION IS SEPARATE FROM THAT FOR NONSMOKING AREAS.

18 (4) THE VENTILATION SYSTEM COMPONENTS AND PATHWAYS:

19 (I) SHALL BE PROTECTED DURING CONSTRUCTION OR
20 REHABILITATION FROM CONTAMINATION IN ACCORDANCE WITH AN INDOOR AIR
21 QUALITY MANAGEMENT PLAN FOR THE CONSTRUCTION OR REHABILITATION
22 PROCESS THAT MEETS THE STANDARDS ESTABLISHED IN REGULATIONS ADOPTED
23 BY THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH THE
24 DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER SUBSECTION (N) OF THIS
25 SECTION; OR

26 (II) SHALL BE CLEANED PRIOR TO OCCUPANCY.

27 (5) (I) A LICENSED ENGINEER, CERTIFIED INDUSTRIAL HYGIENIST,
28 OR OTHER LICENSED OR CERTIFIED PROFESSIONAL APPROVED BY THE SECRETARY
29 OF THE ENVIRONMENT, SHALL CONDUCT INDOOR AIR QUALITY TESTING WITH
30 RESPECT TO THE TENANT SPACE IMMEDIATELY FOLLOWING OCCUPANCY, AND ON
31 AN ANNUAL BASIS, SHALL MONITOR SUPPLY AND RETURN AIR AND AMBIENT AIR
32 FOR CARBON MONOXIDE, CARBON DIOXIDE, TOTAL VOLATILE ORGANIC
33 COMPOUNDS, RADON, AND PARTICULATE MATTER.

34 (II) AFTER RADON MEASUREMENTS HAVE BEEN FOUND TO BE
35 SATISFACTORY, SUBSEQUENT ANNUAL TESTING FOR RADON IS NOT REQUIRED
36 UNDER THIS PARAGRAPH.

37 (6) ALL PLUMBING FIXTURES IN THE TENANT SPACE SHALL MEET THE
38 PLUMBING FIXTURE REQUIREMENTS OF THE FEDERAL ENERGY POLICY ACT OF 1992
39 OR ANY SUCCESSOR PROVISION IN EFFECT AT THE TIME THE IMPROVEMENTS WITH
40 RESPECT TO WHICH A TAX CREDIT IS CLAIMED ARE PLACED IN SERVICE.

1 (7) ALL NEWLY PURCHASED BUILDING MATERIALS, FINISHES, AND
 2 FURNISHINGS USED IN THE TENANT SPACE THAT ARE SUBJECT TO THE
 3 REGULATIONS ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT, IN
 4 CONSULTATION WITH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER
 5 SUBSECTION (N) OF THIS SECTION, SHALL MEET THE STANDARDS ESTABLISHED BY
 6 THOSE REGULATIONS IN EFFECT AT THE TIME THE IMPROVEMENTS WITH RESPECT
 7 TO WHICH THE CREDIT UNDER THIS SECTION IS CLAIMED IS PLACED IN SERVICE.

8 (L) (1) (I) ON APPLICATION BY A TAXPAYER, THE ADMINISTRATION
 9 SHALL ISSUE AN INITIAL CREDIT COMPONENT CERTIFICATE IF THE TAXPAYER HAS
 10 MADE A SHOWING THAT THE TAXPAYER IS LIKELY WITHIN A REASONABLE TIME TO
 11 PLACE IN SERVICE PROPERTY FOR WHICH A CREDIT UNDER THIS SECTION WOULD
 12 BE ALLOWED.

13 (II) THE INITIAL CREDIT COMPONENT CERTIFICATE ISSUED
 14 UNDER THIS PARAGRAPH:

15 1. SHALL STATE THE FIRST TAXABLE YEAR FOR WHICH THE
 16 CREDIT MAY BE CLAIMED AND AN EXPIRATION DATE; AND

17 2. SHALL APPLY ONLY TO PROPERTY PLACED IN SERVICE ON
 18 OR BEFORE THE EXPIRATION DATE.

19 (III) TO AVOID UNWARRANTED HARDSHIP, THE ADMINISTRATION AT
 20 ITS DISCRETION MAY EXTEND THE EXPIRATION DATE STATED UNDER AN INITIAL
 21 CREDIT COMPONENT CERTIFICATE.

22 (IV) THE INITIAL CREDIT COMPONENT CERTIFICATE SHALL STATE
 23 THE MAXIMUM AMOUNT OF CREDIT COMPONENT ALLOWABLE FOR EACH OF THE 5
 24 TAXABLE YEARS FOR WHICH THE CREDIT COMPONENT IS ALLOWED.

25 (V) THE ADMINISTRATION MAY NOT ISSUE INITIAL CREDIT
 26 COMPONENT CERTIFICATES, IN THE AGGREGATE, FOR MORE THAN \$25,000,000
 27 WORTH OF CREDIT COMPONENTS.

28 (VI) EXCEPT AS PROVIDED IN SUBPARAGRAPH (VII) OF THIS
 29 PARAGRAPH, INITIAL CREDIT COMPONENT CERTIFICATES SHALL BE LIMITED IN
 30 THEIR APPLICABILITY, AS FOLLOWS:

| | |
|-----------------------------|-------------------------------|
| 31 CREDIT COMPONENTS IN | |
| 32 THE AGGREGATE MAY NOT BE | WITH RESPECT TO TAXABLE YEARS |
| 33 ALLOWED FOR MORE THAN: | BEGINNING |

| | |
|----------------|------|
| 34 \$1 MILLION | 2001 |
| 35 \$2 MILLION | 2002 |
| 36 \$3 MILLION | 2003 |
| 37 \$4 MILLION | 2004 |
| 38 \$5 MILLION | 2005 |
| 39 \$4 MILLION | 2006 |
| 40 \$3 MILLION | 2007 |

1 \$2 MILLION 2008
2 \$1 MILLION 2009

3 (VII) AS OF THE END OF A CALENDAR YEAR, IF CERTIFICATES FOR
4 CREDIT COMPONENT AMOUNTS TOTALING LESS THAN THE AMOUNT PERMITTED
5 WITH RESPECT TO TAXABLE YEARS BEGINNING IN THAT CALENDAR YEAR HAVE
6 BEEN ISSUED, THE MAXIMUM AMOUNT THAT MAY BE ALLOWED FOR TAXABLE YEARS
7 BEGINNING IN THE SUBSEQUENT CALENDAR YEAR SHALL BE INCREASED BY THE
8 AMOUNT OF THE PRECEDING YEAR'S SHORTFALL.

9 (VIII) THE ADMINISTRATION MAY NOT ISSUE AN INITIAL CREDIT
10 COMPONENT CERTIFICATE AFTER DECEMBER 31, 2004.

11 (2) (I) FOR EACH TAXABLE YEAR FOR WHICH A TAXPAYER CLAIMS A
12 CREDIT UNDER THIS SECTION WITH RESPECT TO A GREEN BUILDING, GREEN BASE
13 BUILDING, GREEN TENANT SPACE, FUEL CELL, PHOTOVOLTAIC MODULES, OR
14 AIR-CONDITIONING EQUIPMENT USING A NON-OZONE DEPLETING REFRIGERANT
15 APPROVED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, THE
16 TAXPAYER SHALL OBTAIN AN ELIGIBILITY CERTIFICATE FROM AN ARCHITECT OR
17 PROFESSIONAL ENGINEER LICENSED TO PRACTICE IN THIS STATE.

18 (II) AN ELIGIBILITY CERTIFICATE ISSUED UNDER THIS PARAGRAPH
19 SHALL CONSIST OF A CERTIFICATION, UNDER THE SEAL OF THE ARCHITECT OR
20 ENGINEER, THAT THE PROPERTY THAT IS THE BASIS FOR THE CREDIT IS CLAIMED
21 REMAINS IN SERVICE AND, AS APPROPRIATE, THAT:

22 1. THE BUILDING, BASE BUILDING, OR TENANT SPACE WITH
23 RESPECT TO WHICH THE CREDIT IS CLAIMED IS A GREEN BUILDING, GREEN BASE
24 BUILDING, OR GREEN TENANT SPACE;

25 2. THE FUEL CELL OR PHOTOVOLTAIC MODULES
26 CONSTITUTE QUALIFYING ALTERNATE ENERGY SOURCES; OR

27 3. THE AIR CONDITIONING EQUIPMENT USES AN
28 NON-OZONE DEPLETING REFRIGERANT APPROVED BY THE UNITED STATES
29 ENVIRONMENTAL PROTECTION AGENCY.

30 (III) THE CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS
31 PARAGRAPH:

32 1. SHALL BE MADE IN ACCORDANCE WITH THE STANDARDS
33 AND GUIDELINES IN EFFECT AT THE TIME THAT THE PROPERTY THAT IS THE BASIS
34 FOR THE CREDIT WAS PLACED IN SERVICE; AND

35 2. SHALL SET FORTH THE SPECIFIC FINDINGS ON WHICH
36 THE CERTIFICATION WAS BASED.

37 (IV) THE TAXPAYER SHALL FILE THE ELIGIBILITY CERTIFICATE
38 AND THE ASSOCIATED INITIAL CREDIT COMPONENT CERTIFICATE WITH THE

1 TAXPAYER'S INCOME TAX RETURN AND SHALL FILE DUPLICATE COPIES WITH THE
2 ADMINISTRATION.

3 (V) THE ELIGIBILITY CERTIFICATE SHALL INCLUDE:

4 1. SUFFICIENT INFORMATION TO IDENTIFY EACH BUILDING
5 OR SPACE; AND

6 2. ANY OTHER INFORMATION THAT THE ADMINISTRATION
7 OR THE COMPTROLLER REQUIRES BY REGULATION.

8 (3) IF THE ADMINISTRATION HAS REASON TO BELIEVE THAT AN
9 ARCHITECT OR PROFESSIONAL ENGINEER, IN MAKING ANY CERTIFICATION UNDER
10 THIS SUBSECTION, ENGAGED IN PROFESSIONAL MISCONDUCT, THE
11 ADMINISTRATION SHALL INFORM THE APPROPRIATE PROFESSIONAL BOARD OF THE
12 SUSPECTED MISCONDUCT.

13 (M) (1) EACH TAXPAYER SHALL, FOR ANY TAXABLE YEAR FOR WHICH THE
14 GREEN BUILDING CREDIT PROVIDED FOR UNDER THIS SECTION IS CLAIMED,
15 MAINTAIN RECORDS OF THE FOLLOWING INFORMATION:

16 (I) ANNUAL ENERGY CONSUMPTION FOR THE BUILDING, BASE
17 BUILDING, OR TENANT SPACE;

18 (II) ANNUAL RESULTS OF AIR MONITORING;

19 (III) ANNUAL CONFIRMATION THAT THE BUILDING, BASE
20 BUILDING, OR TENANT SPACE CONTINUES TO MEET REQUIREMENTS REGARDING
21 SMOKING AREAS, IF PROVIDED;

22 (IV) TENANT GUIDELINES REFERRED TO IN SUBSECTION (J)(10) OF
23 THIS SECTION, IF APPLICABLE;

24 (V) ALL WRITTEN NOTIFICATION OF TENANTS AND REQUESTS TO
25 REMEDY ANY INDOOR AIR QUALITY PROBLEMS;

26 (VI) INITIAL AND ANNUAL (BY MONTH) RESULTS OF VALIDATION OF
27 PERFORMANCE OF PHOTOVOLTAIC MODULES AND FUEL CELLS; AND

28 (VII) CERTIFICATIONS AS TO OFF-GASSING AND OTHER
29 CONTAMINATION, AS REQUIRED IN SUBSECTION (J)(3) OF THIS SECTION, WHERE
30 APPLICABLE.

31 (2) (I) EACH TAXPAYER SHALL PROVIDE THE ADMINISTRATION THE
32 INFORMATION DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, IN THE FORM
33 AND AT THE TIME REQUIRED BY THE ADMINISTRATION.

34 (II) THE ADMINISTRATION SHALL DETERMINE THE TIMES FOR
35 FILING THE INFORMATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS
36 PARAGRAPH IN CONSULTATION WITH THE COMPTROLLER.

1 (III) THE INFORMATION REQUIRED UNDER THIS PARAGRAPH SHALL
2 BE PROVIDED TO THE ADMINISTRATION FOR EACH TAXABLE YEAR FOR WHICH THE
3 TAXPAYER CLAIMS A CREDIT UNDER THIS SECTION.

4 (3) (I) THE COMPTROLLER, THE ADMINISTRATION, AND THE
5 SECRETARY OF THE ENVIRONMENT MAY ADOPT REGULATIONS NECESSARY TO
6 CARRY OUT THE PROVISIONS OF THIS SECTION.

7 (II) REGULATIONS ADOPTED UNDER THIS SECTION SHALL
8 CONSTRUE THE PROVISIONS OF THIS SECTION IN SUCH A MANNER AS TO
9 ENCOURAGE THE DEVELOPMENT OF GREEN BUILDINGS, GREEN BASE BUILDINGS,
10 AND GREEN TENANT SPACE AND TO MAINTAIN HIGH BUT COMMERCIALY
11 REASONABLE STANDARDS FOR OBTAINING TAX CREDITS UNDER THIS SECTION.

12 (4) ON OR BEFORE APRIL 1, 2008, THE COMPTROLLER AND THE
13 ADMINISTRATION, JOINTLY AND IN CONSULTATION WITH THE DEPARTMENT OF THE
14 ENVIRONMENT, SHALL SUBMIT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF
15 THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY, A WRITTEN
16 REPORT REGARDING:

17 (I) THE NUMBER OF CERTIFICATIONS AND TAXPAYERS CLAIMING
18 THE CREDIT UNDER THIS SECTION;

19 (II) THE AMOUNT OF THE CREDITS CLAIMED;

20 (III) THE GEOGRAPHICAL DISTRIBUTION OF THE CREDITS CLAIMED;
21 AND

22 (IV) ANY OTHER AVAILABLE INFORMATION THE ADMINISTRATION
23 DETERMINES TO BE MEANINGFUL AND APPROPRIATE.

24 (5) THE COMPTROLLER AND THE ADMINISTRATION SHALL ENSURE
25 THAT THE INFORMATION IS PRESENTED AND CLASSIFIED IN A MANNER CONSISTENT
26 WITH THE CONFIDENTIALITY OF TAX RETURN INFORMATION.

27 (6) (I) THE ADMINISTRATION SHALL MAKE RECOMMENDATIONS
28 REGARDING THE ESTABLISHMENT OF A PERMANENT GREEN BUILDING TAX CREDIT
29 PROGRAM.

30 (II) RECOMMENDATIONS MAY INCLUDE METHODS TO ENHANCE
31 THE EFFECTIVENESS, SIMPLICITY, OR OTHER ASPECTS OF THE PROGRAM.

32 (N) (1) ON OR BEFORE DECEMBER 1, 2000, THE ADMINISTRATION, IN
33 CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT, SHALL ADOPT THE
34 FOLLOWING, WITH RESPECT TO BASE BUILDINGS:

35 (I) REGULATIONS ESTABLISHING STANDARDS FOR ENERGY USE
36 FOR ELIGIBLE BUILDINGS, TO BE REVIEWED AND UPDATED AT LEAST EVERY 2
37 YEARS;

1 (II) REGULATIONS ESTABLISHING STANDARDS FOR APPLIANCES
2 AND HEATING, COOLING, AND WATER HEATING EQUIPMENT THAT, AS OF JULY 1,
3 2000, WERE COVERED BY SPECIFICATIONS FROM ORGANIZATIONS SUCH AS THE
4 UNITED STATES DEPARTMENT OF ENERGY OR THE ENVIRONMENTAL PROTECTION
5 AGENCY, WHICH REGULATIONS SHALL BE INFORMED BY THOSE SPECIFICATIONS,
6 AND WHICH REGULATIONS SHALL BE REVIEWED AND UPDATED AT LEAST EVERY 2
7 YEARS;

8 (III) REGULATIONS SPECIFYING THE METHODOLOGY BY WHICH A
9 TAXPAYER SHALL DEMONSTRATE COMPLIANCE WITH SUBSECTION (J)(2) OF THIS
10 SECTION, TO INCLUDE, AT A MINIMUM, A REQUIREMENT TO CONDUCT HOURLY
11 COMPUTER MODELING FOR 1 FULL YEAR; AND

12 (IV) REGULATIONS ESTABLISHING STANDARDS FOR THE
13 COMMISSIONING OF BUILDINGS.

14 (2) ON OR BEFORE DECEMBER 1, 2000, THE DEPARTMENT OF THE
15 ENVIRONMENT, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND
16 MENTAL HYGIENE, SHALL ADOPT REGULATIONS ESTABLISHING STANDARDS, WITH
17 RESPECT TO BASE BUILDINGS, FOR:

18 (I) VENTILATION AND EXCHANGE OF INDOOR AND OUTDOOR AIR;

19 (II) INDOOR AIR QUALITY MANAGEMENT PLANS FOR THE
20 CONSTRUCTION OR REHABILITATION PROCESS; AND

21 (III) INDOOR AIR QUALITY WITH RESPECT TO LEVELS OF CARBON
22 MONOXIDE, CARBON DIOXIDE AND TOTAL VOLATILE ORGANIC COMPOUNDS, RADON,
23 AND PARTICULATE MATTER.

24 (3) (I) IN THIS PARAGRAPH, "BUILDING MATERIALS, FINISHES, AND
25 FURNISHINGS" INCLUDES:

26 1. CONCRETE AND CONCRETE MASONRY UNITS;

27 2. WOOD AND WOOD PRODUCTS;

28 3. MILLWORK SUBSTRATES;

29 4. INSULATION;

30 5. CERAMIC, CERAMIC/GLASS, AND CEMENTITIOUS TILES;

31 6. CEILING TILES AND PANELS;

32 7. FLOORING AND CARPET;

33 8. PAINTS, COATINGS, SEALANTS, AND ADHESIVES; AND

34 9. FURNITURE.

1 (II) ON OR BEFORE DECEMBER 1, 2000, THE DEPARTMENT OF THE
2 ENVIRONMENT, IN CONSULTATION WITH THE ADMINISTRATION, SHALL ADOPT THE
3 FOLLOWING, WITH RESPECT TO BASE BUILDINGS:

4 1. REGULATIONS ESTABLISHING STANDARDS FOR BUILDING
5 MATERIALS, FINISHES, AND FURNISHINGS REGARDING MINIMUM PERCENTAGES OF
6 RECYCLED CONTENT AND RENEWABLE SOURCE MATERIAL AND MAXIMUM LEVELS
7 OF TOXICITY AND VOLATILE ORGANIC COMPOUNDS AND ANY OTHER STANDARDS
8 THAT THE DEPARTMENT DETERMINES APPROPRIATE, WHICH REGULATIONS SHALL
9 BE INFORMED BY THE LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN
10 GREEN BUILDING RATING SYSTEM CRITERIA BEING DEVELOPED BY THE UNITED
11 STATES GREEN BUILDING COUNCIL, AND WHICH REGULATIONS TO BE REVIEWED
12 AND UPDATED AT LEAST EVERY 2 YEARS;

13 2. REGULATIONS ESTABLISHING STANDARDS FOR
14 BUILDINGS LOCATED IN AREAS WHERE WATER USE IS NOT METERED, WHICH
15 REGULATIONS SHALL REQUIRE, AT A MINIMUM, THAT THE BUILDING INCLUDE ONE
16 OF THE FOLLOWING FEATURES:

17 A. A GRAY WATER SYSTEM THAT RECOVERS NONSEWAGE
18 WASTE WATER OR USES ROOF OR GROUND STORMWATER COLLECTION SYSTEMS, OR
19 THAT RECOVERS GROUND WATER FROM SUMP PUMPS;

20 B. FOR A BUILDING WITH A COOLING TOWER SYSTEM, THE
21 GRAY WATER SYSTEM SHALL BE DESIGNED WITH DELIMITERS TO REDUCE DRIFT
22 AND EVAPORATION; AND

23 C. FOR A BUILDING WITH EXTERIOR PLANTS, ALL EXTERIOR
24 PLANTS SHALL BE TOLERANT OF CLIMATE, SOILS, AND NATURAL WATER
25 AVAILABILITY AND MAY NOT RECEIVE WATERING FROM MUNICIPAL POTABLE
26 WATER AFTER A PERIOD OF ESTABLISHMENT IS COMPLETE;

27 3. REGULATIONS ESTABLISHING STANDARDS FOR
28 BUILDINGS LOCATED IN AREAS THAT DO NOT HAVE SEWERS OR THAT HAVE
29 DESIGNATED STORM SEWERS, WHICH REGULATIONS SHALL REQUIRE, AT A
30 MINIMUM, THAT THE BUILDING SHALL INCLUDE ONE OF THE FOLLOWING
31 FEATURES:

32 A. AN OIL GRIT SEPARATOR OR WATER QUALITY POND FOR
33 PRETREATMENT OF RUNOFF FROM ANY SURFACE PARKING AREAS; OR

34 B. AT LEAST 50% OF NONLANDSCAPED AREAS, IF ANY,
35 INCLUDING ROADWAYS, SURFACE PARKING, PLAZAS, AND PATHWAYS, SHALL BE
36 COMPRISED OF PERVIOUS PAVING MATERIALS; AND

37 4. REGULATIONS SPECIFYING THE METHODOLOGY BY
38 WHICH TAXPAYERS SHALL DEMONSTRATE COMPLIANCE WITH SUBSECTION (J)(3)
39 AND (4) OF THIS SECTION.

1 (4) ON OR BEFORE DECEMBER 1, 2000, THE ADMINISTRATION, IN
2 CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT, SHALL ADOPT
3 REGULATIONS WITH RESPECT TO TENANT SPACE, SPECIFYING THE METHODOLOGY
4 BY WHICH TAXPAYERS SHALL DEMONSTRATE COMPLIANCE WITH SUBSECTION (K)(2)
5 OF THIS SECTION.

6 (5) ON OR BEFORE DECEMBER 1, 2000, THE DEPARTMENT OF THE
7 ENVIRONMENT, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND
8 MENTAL HYGIENE, SHALL ADOPT REGULATIONS WITH RESPECT TO TENANT SPACE,
9 SPECIFYING THE METHODOLOGY BY WHICH TAXPAYERS SHALL DEMONSTRATE
10 COMPLIANCE WITH SUBSECTION (K)(3) OF THIS SECTION.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2000 and shall be applicable to all taxable years beginning after December 31,
13 2000.