
By: **Senator Miller**
Introduced and read first time: January 21, 2005
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Exemption - Property Used to Generate Electricity, Steam, or**
3 **Hot or Chilled Water**

4 FOR the purpose of repealing a partial exemption under the property tax for
5 machinery and equipment used to generate electricity or steam for sale or hot or
6 chilled water for sale that is used for certain purposes; providing for the
7 application of this Act; and generally relating to the property taxation of certain
8 property used to generate electricity, steam, or hot or chilled water.

9 BY repealing
10 Article - Tax - Property
11 Section 7-237
12 Annotated Code of Maryland
13 (2001 Replacement Volume and 2004 Supplement)

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

16 **Article - Tax - Property**

17 [7-237.

18 (a) Except as provided in subsection (b) of this section, personal property is
19 exempt from property tax if the property is machinery or equipment used to generate:

- 20 (1) electricity or steam for sale; or
- 21 (2) hot or chilled water for sale that is used to heat or cool a building.

22 (b) Personal property that is machinery or equipment described in subsection
23 (a) of this section is subject to county or municipal corporation property tax on:

- 24 (1) 75% of its value for the taxable year beginning July 1, 2000; and
- 25 (2) 50% of its value for the taxable year beginning July 1, 2001 and each
26 subsequent taxable year.]

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
2 effect June 1, 2005, and shall be applicable to all taxable years beginning after June
3 30, 2005.