
By: **Delegate Cardin**

Introduced and read first time: June 14, 2006

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit - Energy Star Appliances**

3 FOR the purpose of allowing an individual to claim a credit against the State income
4 tax for the cost of purchasing certain appliances and products designated as
5 meeting or exceeding certain applicable energy efficiency guidelines, subject to
6 certain limitations; providing for the application of this Act; making this Act an
7 emergency measure; and generally relating to a State income tax credit for the
8 purchase of certain appliances and products designated as meeting or exceeding
9 certain applicable energy efficiency guidelines.

10 BY adding to

11 Article - Tax - General

12 Section 10-726

13 Annotated Code of Maryland

14 (2004 Replacement Volume and 2005 Supplement)

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

17 **Article - Tax - General**

18 10-726.

19 (A) IN THIS SECTION, "ENERGY STAR PRODUCT" MEANS AN AIR CONDITIONER,
20 CLOTHES WASHER, FURNACE, HEAT PUMP, OR STANDARD SIZE REFRIGERATOR THAT
21 HAS BEEN DESIGNATED AS MEETING OR EXCEEDING THE APPLICABLE ENERGY STAR
22 EFFICIENCY REQUIREMENTS DEVELOPED BY THE UNITED STATES ENVIRONMENTAL
23 PROTECTION AGENCY AND THE UNITED STATES DEPARTMENT OF ENERGY.

24 (B) SUBJECT TO THE LIMITATIONS UNDER SUBSECTION (C) OF THIS SECTION,
25 AN INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR A
26 TAXABLE YEAR FOR 100% OF THE COST OF AN ENERGY STAR PRODUCT PURCHASED
27 DURING THE TAXABLE YEAR.

1 (C) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION
2 MAY NOT EXCEED THE LESSER OF:

3 (1) \$25 FOR EACH ENERGY STAR PRODUCT PURCHASED;

4 (2) \$300; OR

5 (3) THE STATE INCOME TAX FOR THAT TAXABLE YEAR, CALCULATED
6 BEFORE APPLICATION OF THE CREDITS UNDER THIS SECTION AND §§ 10-701 AND
7 10-701.1 OF THIS SUBTITLE, BUT AFTER APPLICATION OF THE OTHER CREDITS
8 ALLOWABLE UNDER THIS SUBTITLE.

9 (D) ANY UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY NOT
10 BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
12 applicable to all taxable years beginning after December 31, 2005.

13 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
14 measure, is necessary for the immediate preservation of the public health or safety,
15 has been passed by a ye and nay vote supported by three-fifths of all the members
16 elected to each of the two Houses of the General Assembly, and shall take effect from
17 the date it is enacted.