

# HOUSE BILL 1229

Q3

8lr3043

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By: **Delegate G. Clagett**

Introduced and read first time: February 8, 2008

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Tax Credits for Energy Star Appliances and Solar Water Heaters**

3 FOR the purpose of allowing a credit against the State income tax for a certain taxable  
4 year for certain costs of certain Energy Star appliances or solar water heaters  
5 purchased during a certain period of time; prohibiting the carryover of certain  
6 unused credit to certain taxable years; limiting a certain credit against the  
7 State income tax by a certain amount; requiring the Comptroller to submit  
8 certain information to the General Assembly; defining a certain term; and  
9 generally relating to certain State income tax credits for certain individuals who  
10 purchase certain Energy Star appliances or solar water heaters.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That:

13 (a) In this section, "Energy Star product" means an air conditioner, clothes  
14 washer or dryer, furnace, heat pump, standard size refrigerator, dehumidifier, or  
15 programmable thermostat that has been designated as meeting or exceeding the  
16 applicable Energy Star efficiency requirements developed by the United States  
17 Environmental Protection Agency and the United States Department of Energy.

18 (b) An individual may claim a credit against the State income tax for a  
19 taxable year beginning after December 31, 2007, but before January 1, 2009, for the  
20 costs of Energy Star products or solar water heaters purchased on or after July 1,  
21 2008, and on or before December 31, 2008.

22 (c) The credit allowed under this section shall equal the sales and use tax  
23 paid by the purchaser on the total cost of purchases of Energy Star products or solar  
24 water heaters.

25 (d) (1) The total amount of the credit allowed under this section may not  
26 exceed the State income tax for that taxable year, calculated before application of the

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 credits under this section and §§ 10-701 and 10-701.1 of the Tax – General Article,  
2 but after application of the other credits allowable under Title 10, Subtitle 7 of the  
3 Tax – General Article.

4 (2) The unused amount of the credit may not be carried over to any  
5 other taxable year.

6 (e) Except as otherwise provided in Title 10 of the Tax – General Article, for  
7 purposes of determining Maryland taxable income, the basis of property with respect  
8 to which the credit under this section is allowed shall be its basis for federal income  
9 tax purposes.

10 (f) The credit under this section may not be claimed for property placed in  
11 service:

12 (1) before July 1, 2008; or

13 (2) after December 31, 2008.

14 (g) On or before July 1, 2009, the Comptroller shall report to the General  
15 Assembly in accordance with § 2-1246 of the State Government Article the number of  
16 individuals who claimed a credit under this section and the amount of each credit  
17 claimed.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 July 1, 2008.