

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 925

(Carroll County Senators)

Budget and Taxation

Ways and Means

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Carroll County - Green Building Tax Credit

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This bill expands the Carroll County Green Building Tax Credit to include all property on which a person installs environmentally friendly or “green” technologies. Under current law, the tax credit is limited to nonresidential property.

The bill takes effect June 1, 2010, and applies to taxable years beginning after June 30, 2010.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Any decrease in Carroll County property tax revenues depends on the number of eligible properties, the value of these properties, and the amount of any tax credit granted. County expenditures are not affected.

**Small Business Effect:** None.

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Analysis

**Current Law:** Chapter 143 of 2008 authorized the Carroll County Commissioners to grant a property tax credit against the county property tax imposed on nonresidential property on which a person installs environmentally friendly or “green” technologies. The county may, by law, set the credit amount, establish eligibility criteria, establish the type of work that qualifies for the credit, establish the type of environmental technologies that will qualify for the credit, and set forth regulations and procedures for the application and uniform processing of requests for the tax credit.

Environmentally friendly technologies include conserving water, incorporating recycled or recyclable materials, and incorporating renewable and energy efficient power generation.

**Local Fiscal Effect:** Carroll County has enacted a Green Building Tax Credit for nonresidential property; however, there have been no applications for the tax credit to date.

Carroll County property tax revenues will decrease to the extent that the tax credit is granted. The amount of the decrease cannot be reliably estimated and depends on the number of eligible properties, the value of these properties, and the amount of the tax credit.

The Carroll County property tax rate is \$1.048 per \$100 of assessment for fiscal 2010. There are 49,562 owner-occupied residential properties and 54,704 total improved residential properties in the county. The average residential assessment for fiscal 2011 is \$329,221. As a point of reference, county revenues would decrease by \$3,450 for each owner-occupied residential property granted a 100% property tax credit.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1112 (Carroll County Delegation) - Ways and Means.

**Information Source(s):** Carroll County, State Department of Assessments and Taxation, Department of Legislative Services

**Fiscal Note History:** First Reader - February 26, 2010  
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