

SENATE BILL 958

Q7

11r3058
CF 11r3115

By: **Senator Garagiola**

Introduced and read first time: March 2, 2011

Assigned to: Rules

Re-referred to: Budget and Taxation, March 7, 2011

Committee Report: Favorable

Senate action: Adopted

Read second time: March 26, 2011

CHAPTER _____

1 AN ACT concerning

2 **Maryland Clean Energy Incentive Act – Qualified Energy Resources**

3 FOR the purpose of altering the definition of qualified energy resources under a
4 certain credit against the State income tax for certain electricity produced from
5 certain qualified resources; and generally relating to a certain credit against the
6 State income tax for certain electricity produced from certain qualified
7 resources.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 10–720(a)
11 Annotated Code of Maryland
12 (2010 Replacement Volume)

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

15 **Article – Tax – General**

16 10–720.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) “Administration” means the Maryland Energy Administration.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (3) (i) Except as provided in subparagraphs (ii) and (iii) of this
2 paragraph, “qualified energy resources” has the meaning stated in § 45(c)(1) of the
3 Internal Revenue Code.

4 (ii) “Qualified energy resources” includes any [solid,
5 nonhazardous[, cellulosic] waste material that is segregated from other waste
6 materials and is derived from:

7 1. any of the following forest-related resources, not
8 including old-growth timber:

9 A. mill residues, except sawdust and wood shavings;

10 B. forest thinnings;

11 C. slash; or

12 D. brush;

13 2. waste pallets, crates, and dunnage and landscape or
14 right-of-way trimmings; or

15 3. agricultural sources, including, **BUT NOT LIMITED**
16 **TO**, orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or
17 residues.

18 (iii) “Qualified energy resources” includes methane gas or other
19 combustible gases resulting from the decomposition of organic materials from an
20 agricultural operation, or from a landfill or wastewater treatment plant using one or a
21 combination of the following processes:

22 1. anaerobic decomposition; or

23 2. thermal decomposition.

24 (4) “Qualified Maryland facility” means a facility located in the State
25 that:

26 (i) primarily uses qualified energy resources to produce
27 electricity and is originally placed in service on or after January 1, 2006, but before
28 January 1, 2016; or

29 (ii) produces electricity from a qualified energy resource that is
30 co-fired with coal and initially begins co-firing a qualified energy resource on or after
31 January 1, 2006, but before January 1, 2016, regardless of when the original facility
32 was placed in service.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2011.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.