Q1, Q2 0lr1253 CF HB 1106

By: Senators Hershey, Beidle, Elfreth, Feldman, Guzzone, Hayes, Hettleman, Klausmeier, Peters, Serafini, and West

Introduced and read first time: February 3, 2020

Assigned to: Budget and Taxation

## A BILL ENTITLED

1 AN ACT concerning

2

## Property Tax - Solar Energy Systems

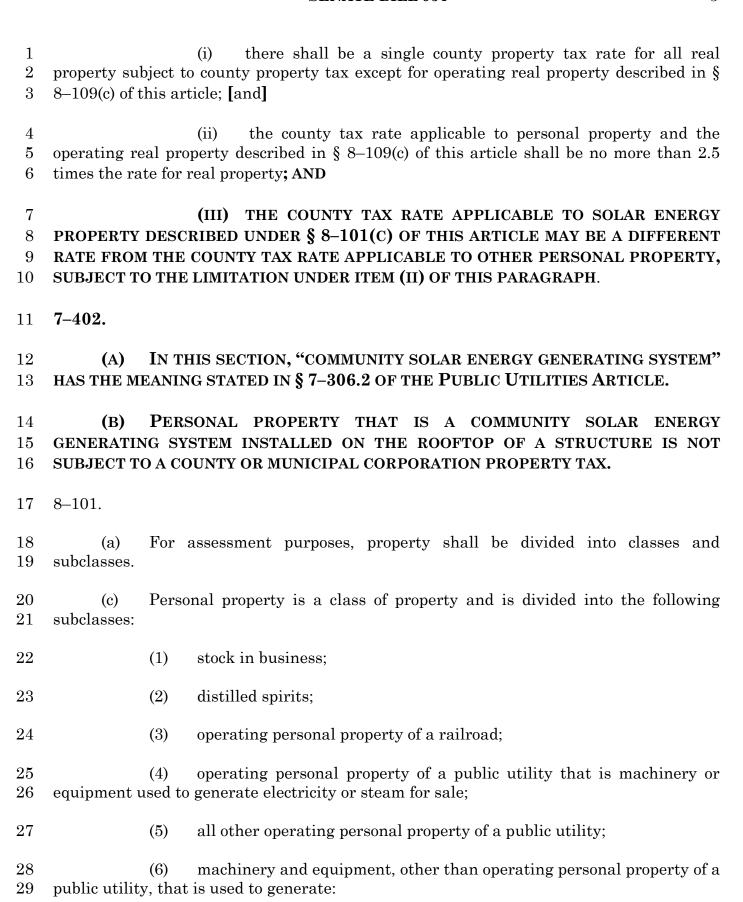
- 3 FOR the purpose of establishing certain solar energy property as a subclass of personal 4 property; providing that the county tax rate applicable to certain solar energy 5 property may be a different rate from the county tax rate applicable to other personal 6 property, subject to a certain limitation; exempting personal property that is a 7 certain community solar energy generating system from a county or municipal 8 corporation property tax; prohibiting the supervisor of assessments for a county, 9 when valuing income producing real property, from considering the value of income 10 attributable to the installation of a certain community solar energy generating 11 system; defining a certain term; providing for the application of this Act; and generally relating to property taxes and solar energy systems. 12
- 13 BY repealing and reenacting, without amendments,
- 14 Article Public Utilities
- 15 Section 7–306.2(a)(1) and (3)
- 16 Annotated Code of Maryland
- 17 (2010 Replacement Volume and 2019 Supplement)
- 18 BY repealing and reenacting, with amendments,
- 19 Article Tax Property
- 20 Section 6–302(b)(1) and 8–101(c)
- 21 Annotated Code of Maryland
- 22 (2019 Replacement Volume)
- 23 BY adding to
- 24 Article Tax Property
- 25 Section 7–402 and 8–105(a)(4)
- 26 Annotated Code of Maryland
- 27 (2019 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 2 3 4 5	BY repealing and reenacting, without amendments, Article – Tax – Property Section 8–101(a) and 8–105(a)(1) Annotated Code of Maryland (2019 Replacement Volume)
6 7	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
8	Article - Public Utilities
9	7–306.2.
10	(a) (1) In this section the following words have the meanings indicated.
11 12	(3) "Community solar energy generating system" means a solar energy system that:
13	(i) is connected to the electric distribution grid serving the State;
14	(ii) is located in the same electric service territory as its subscribers;
15 16	(iii) is attached to the electric meter of a subscriber or is a separate facility with its own electric meter;
17 18 19	(iv) credits its generated electricity, or the value of its generated electricity, to the bills of the subscribers to that system through virtual net energy metering;
20 21	(v) has at least two subscribers but no limit to the maximum number of subscribers;
22 23	(vi) does not have subscriptions larger than 200 kilowatts constituting more than 60% of its subscriptions;
24 25	(vii) has a generating capacity that does not exceed 2 megawatts as measured by the alternating current rating of the system's inverter; and
26	(viii) may be owned by any person.
27	Article - Tax - Property
28	6–302.
29 30	(b) (1) Except as provided in subsection (c) of this section, $\S\S$ 6–305 and 6–306 of this subtitle and $\S$ 6–203 of this title:



electricity or steam for sale; or

(i)

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