

Chapter 46

(Senate Bill 344)

AN ACT concerning

**Property Tax – Agricultural Use Assessment – Community Solar Energy
Generating Systems**

FOR the purpose of altering the date by which certain community solar energy generating systems must be approved by the Public Service Commission in order for land that is used by the community solar energy generating systems to qualify for the agricultural use assessment; requiring the State Department of Assessments and Taxation to issue a certain preconstruction determination under certain circumstances; authorizing the Department to rescind a preconstruction determination under certain circumstances; authorizing the Department to charge a certain application fee; and generally relating to the agricultural use assessment.

BY repealing and reenacting, with amendments,
 Article – Tax – Property
 Section 8–209(e)
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

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

Article – Tax – Property

8–209.

(e) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Agrivoltaics” has the meaning stated in § 7–237 of this article.

(iii) “Community solar energy generating system” has the meaning stated in § 7–306.2 of the Public Utilities Article.

(2) Except as provided in paragraph (4) of this subsection, the Department shall establish in regulations criteria to determine if land that appears to be actively used for farm or agricultural purposes:

(i) is actually used for farm or agricultural purposes; and

(ii) qualifies for assessment under this section.

(3) The criteria shall include:

- (i) the zoning of the land;
- (ii) the present and past use of the land including land under the Soil Bank Program of the United States;
- (iii) the productivity of the land, including timberlands and reforested lands; and
- (iv) the gross income that is derived from the agricultural activity.

(4) (i) This paragraph applies through the life cycle of a community solar energy generating system that:

- 1. is placed in service after June 30, 2022; and
- 2. has been approved on or before December 31, ~~[2025]~~ **2030**, as a community solar energy generating system by the Public Service Commission under § 7-306.2 of the Public Utilities Article.

(ii) **1.** The Department shall assess and qualify land that is used by a community solar energy generating system for agrivoltaics as land that is actively used for farm or agricultural purposes.

2. A. ON APPLICATION, THE DEPARTMENT SHALL ISSUE A PRECONSTRUCTION DETERMINATION IN ACCORDANCE WITH PARAGRAPH (5) OF THIS SUBSECTION.

B. A FAVORABLE PRECONSTRUCTION DETERMINATION QUALIFIES THE LAND AS ACTIVELY USED FOR FARM OR AGRICULTURAL PURPOSES UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH.

(5) (i) ON APPLICATION, THE DEPARTMENT SHALL ISSUE A PRECONSTRUCTION DETERMINATION INDICATING WHETHER THE LAND SUBJECT TO THE REQUEST WILL BE ASSESSED AS FARM OR AGRICULTURAL USE LAND UNDER THIS SECTION.

(ii) AN APPLICATION FOR A PRECONSTRUCTION DETERMINATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE:

- 1. IDENTIFICATION OF THE PARCEL OR PARCELS;**

2. THE ANTICIPATED EFFECTIVE TAX YEAR FOR WHEN CONSTRUCTION WILL BE COMPLETE AND THE ANTICIPATED AGRICULTURAL ACTIVITY;

3. A SITE PLAN SHOWING THE PROPOSED SOLAR LAYOUT AND THE ACREAGE TO REMAIN IN AGRICULTURAL ACTIVITY;

4. AN AGRIVOLTAICS PLAN THAT INCLUDES:

A. THE ANTICIPATED AGRICULTURAL ACTIVITY TO BE CONDUCTED DURING OPERATION OF THE COMMUNITY SOLAR ENERGY GENERATING SYSTEM;

B. ACCESS AND FEATURES NECESSARY TO CONDUCT THE ANTICIPATED AGRICULTURAL ACTIVITY; AND

C. HOW THE DESIGN OF THE COMMUNITY SOLAR ENERGY GENERATING SYSTEM WILL ALLOW FOR THE ANTICIPATED AGRICULTURAL ACTIVITY;

5. AN ESTIMATED CONSTRUCTION SCHEDULE AND THE PROPOSED IN-SERVICE DATE;

6. EVIDENCE OF SITE CONTROL, INCLUDING:

A. AN EXECUTED LAND LEASE OR PURCHASE AGREEMENT BETWEEN THE LAND OWNER AND SOLAR OPERATOR;

B. AN EXECUTED OPTION TO LEASE OR PURCHASE BETWEEN THE LAND OWNER AND SOLAR OPERATOR; OR

C. A DEED INDICATING THE SOLAR OPERATOR OWNS THE LAND; AND

7. ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT THAT IS REASONABLY NECESSARY TO DETERMINE WHETHER THE LAND QUALIFIES FOR A FARM OR AGRICULTURAL USE ASSESSMENT UNDER PARAGRAPH (4) OF THIS SUBSECTION.

(iii) 1. WITHIN 90 DAYS AFTER RECEIVING A COMPLETED APPLICATION FOR A PRECONSTRUCTION DETERMINATION, THE DEPARTMENT SHALL REVIEW THE APPLICATION AND:

A. ISSUE A FAVORABLE PRECONSTRUCTION DETERMINATION;

B. ISSUE AN UNFAVORABLE PRECONSTRUCTION DETERMINATION; OR

C. NOTIFY THE APPLICANT THAT ADDITIONAL INFORMATION IS REQUIRED TO COMPLETE REVIEW.

2. THE DEPARTMENT MAY RESCIND A PRECONSTRUCTION DETERMINATION IF:

A. THE COMMUNITY SOLAR ENERGY GENERATING SYSTEM, AS CONSTRUCTED OR OPERATED, MATERIALLY DIFFERS FROM THE DESCRIPTION PROVIDED IN THE APPLICATION;

B. THE SOLAR OPERATOR HAS FAILED TO NOTIFY THE DEPARTMENT OF THE COMPLETED CONSTRUCTION AND SUBMIT AN AGRICULTURAL USE APPLICATION;

C. AGRICULTURAL ACTIVITY IS NOT BEING MAINTAINED IN ACCORDANCE WITH THIS SECTION; OR

D. THE APPLICANT PROVIDED INACCURATE INFORMATION IN THE APPLICATION.

(IV) A FAVORABLE PRECONSTRUCTION DETERMINATION ISSUED BY THE DEPARTMENT QUALIFIES THE LAND FOR A FARM OR AGRICULTURAL USE ASSESSMENT UNDER PARAGRAPH (4) OF THIS SUBSECTION FOR THE IMMEDIATELY SUCCEEDING TAXABLE YEAR IF:

1. THE SOLAR OPERATOR PROVIDES WRITTEN NOTICE TO THE DEPARTMENT THAT THE PROJECT'S CONSTRUCTION IS COMPLETED AND AGRICULTURAL USE ACTIVITY IS BEING CONDUCTED;

2. AN APPLICATION FOR A FARM OR AGRICULTURAL USE ASSESSMENT IS SUBMITTED TO THE DEPARTMENT THAT INCLUDES THE REQUIRED INFORMATION; AND

3. THE SOLAR OPERATOR PROVIDES ACCESS TO THE SOLAR FACILITY FOR THE DEPARTMENT TO VERIFY THE AGRICULTURAL USE ACTIVITY IS BEING CONDUCTED IN ACCORDANCE WITH THIS SECTION.

(v) THE DEPARTMENT MAY CHARGE AN APPLICATION FEE IN AN AMOUNT NECESSARY TO RECOVER THE DEPARTMENT'S COSTS TO ADMINISTER AND IMPLEMENT THE REQUIREMENTS OF THIS PARAGRAPH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2026, and shall be applicable to all taxable years beginning after June 30, 2026.

Approved by the Governor, April 14, 2026.