

~~chilled water for sale for certain purposes; phasing in the exemption over a certain period~~ providing for the application of this Act; and generally relating to the property taxation of certain machinery and equipment used to generate steam or to generate hot or chilled water for sale for certain purposes.

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-306(d) and 10-712

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - Property

Section 7-237 and 8-101(c)

Annotated Code of Maryland

(1994 Replacement Volume and 1999 Supplement)

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

Article - Tax - General

10-306.

(d) The addition under subsection (a) of this section includes the amount of the credit allowed under § 10-712 of this title for property taxes paid by a public utility on operating real property that is used to generate electricity OR STEAM for sale.

10-712.

(a) A public utility may claim a credit against the State income tax in an amount equal to 60% of the total property taxes paid by the public utility on its operating real property in the State, other than operating land, that is used to generate electricity OR STEAM for sale.

(b) (1) For any taxable year, the credit allowed under this section may not exceed the State income tax for that taxable year, calculated before application of the credits allowed under this section and §§ 10-701 and 10-701.1 of this subtitle but after application of any other credits allowed under this subtitle.

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

Article - Tax - Property

7-237.

(a) Except as provided in subsection (b) of this section, personal property ~~that IS EXEMPT FROM PROPERTY TAX IF THE PROPERTY~~ is machinery or equipment used to generate ~~electricity~~:

(1) ELECTRICITY OR STEAM for sale ~~is exempt from property tax~~ OR