

Public Hearing

MEMORANDUM

November 19, 2009

TO: County Council

FROM: Amanda Mihill, Legislative Analyst *A. Mihill*

SUBJECT: **Public Hearing:** Expedited Bill 39-09, Property Tax Credit – Renewable Energy – Annual Aggregate Limit

Expedited Bill 39-09, Property Tax Credit - Renewable Energy – Annual Aggregate Limit, sponsored by Councilmember Berliner, was introduced on November 3, 2009. A Management and Fiscal Policy Committee worksession is scheduled for November 30.

Bill 39-09 would increase the annual aggregate limit for the property tax credit for solar and geothermal energy devices from \$250,000 to \$400,000 and reduce the annual aggregate limit for the property tax credit for energy conservation devices from \$250,000 to \$100,000.

This packet contains:

Expedited Bill 39-09

Legislative Request Report

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Expedited Bill No. 39-09
Concerning: Property Tax Credit -
Renewable Energy - Annual
Aggregate Limit
Revised: 10/26/2009 Draft No. 1
Introduced: November 3, 2009
Expires: May 3, 2011
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Berliner

AN EXPEDITED ACT to:

- (1) amend the annual aggregate limit for the property tax credit for solar and geothermal energy devices and energy conservation devices; and
- (2) generally amend the law relating to the renewable energy property tax credit.

By amending

Montgomery County Code
Chapter 52, Taxation
Section 52-18R

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Section 52-18R is amended as follows:

52-18R. Property tax credit — renewable energy.

(d) Annual aggregate limit.

(1) Unless a larger amount is approved in the annual operating budget or a Council resolution, during any fiscal year, the total credits granted under this Section must not exceed:

- (A) ~~[\$250,000]~~ \$400,000 for solar and geothermal energy devices; and
- (B) ~~[\$250,000]~~ \$100,000 for energy conservation devices.

* * *

Sec. 2. Expedited Effective Date

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.

Approved:

Philip M. Andrews, President, County Council Date

Approved:

Isiah Leggett, County Executive Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council Date

LEGISLATIVE REQUEST REPORT

Expedited Bill 39-09, *Property Tax Credit – Renewable Energy – Annual Aggregate Limit*

DESCRIPTION: Bill 39-09 would amend the annual aggregate limit for the property tax credit for solar and geothermal energy devices and energy conservation devices; and generally amend the law relating to the renewable energy property tax credit.

PROBLEM: Each year, the annual cap is reached for the property tax credit for solar and geothermal energy devices, but the annual cap for the property tax credit for energy conservation devices is not met.

GOALS AND OBJECTIVES: To adjust the maximum annual cap on these tax credits so that more residents can take advantage of the property tax credit for solar and geothermal energy devices.

COORDINATION: Department of Finance.

FISCAL IMPACT: To be requested.

ECONOMIC IMPACT: To be requested.

EVALUATION: To be requested.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Amanda Mihill, Legislative Analyst, 240-777-7815.

APPLICATION WITHIN MUNICIPALITIES: To be researched.

PENALTIES: n/a