

# Prince George's County Council

## Agenda Item Summary

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**Meeting Date:** 11/20/2012  
**Reference No.:** CB-077-2012  
**Draft No.:** 2  
**Proposer(s):** Lehman  
**Sponsor(s):** Lehman, Campos, Davis, Franklin, Patterson, Turner  
**Item Title:** An Act concerning Energy Conservation Real Property Tax Credit For the purpose of providing that lessees of a solar energy device or geothermal energy device are eligible for the energy conservation real property tax credit; and generally relating to the energy conservation real property tax credit.

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**Drafter:** Kathleen H. Canning, Legislative Officer  
**Resource Personnel:** Matt Dernoga, District 1 Policy Analyst

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### LEGISLATIVE HISTORY:

<b>Date Presented:</b>	9/25/2012	<b>Executive Action:</b>	12/6/2012 S
<b>Committee Referral:</b>	9/25/2012 - PSFM	<b>Effective Date:</b>	1/22/2013

**Committee Action:** 10/22/2012 - FAV(A)

**Date Introduced:** 10/23/2012  
**Public Hearing:** 11/20/2012 - 10:00 AM

**Council Action (1)** 11/20/2012 - ENACTED  
**Council Votes:** WC:A, DLD:A, MRF:A, AH:A, ML:A, EO:A, OP:A, IT:A, KT:AB  
**Pass/Fail:** P  
**Remarks:**

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### AFFECTED CODE SECTIONS:

10-235.06

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### COMMITTEE REPORTS:

#### Public Safety and Fiscal Management

**Date 10/22/2012**

REPORT: COMMITTEE VOTE: Favorable as Amended 5-0 (Councilmember's: Campos, Turner, Davis, Harrison and Lehman)

This bill will provide that the leasees of a solar energy device or geothermal energy device are eligible for the energy conservation real property tax credit. A taxpayer with a Solar Power Purchase Agreement or other type of leasing agreement is eligible for an energy conservation real property tax credit. No more than one credit shall be granted per residential household each tax year. The tax credit granted for the lease arrangements or solar purchase power agreement shall not exceed \$100,000 per fiscal year. The tax credit applies solely to solar energy devices installed after January 1, 2013.

#### Summary of Amendments

1. On page 2 line 25 delete "Department" insert "Office"

2. On page 2 line 27 after “section” insert “for solar or geothermal system purchases.”
3. On page 2 delete lines 30 – 31
4. On page 3 lines 3 – 12 insert new language and renumber the subsequent paragraphs.

The Office of Law has reviewed this bill and finds it to be proper legislative form with no legal impediments to its enactment.

The enactment of CB-77-2012 will have a negative fiscal impact on the County related to the need for staff resources and any programming required by the Treasury’s computer system.

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**BACKGROUND INFORMATION/FISCAL IMPACT:**

(Includes reason for proposal, as well as any unique statutory requirements)

The purpose of this bill is to provide that lessees of a solar energy device or of a geothermal energy device are eligible for the energy conservation real property tax credit. Leases include Solar Power Purchase Agreements which are a financial arrangement in which a third-party developer owns, operates, and maintains the photovoltaic (PV) system, and a host customer agrees to site the system on its roof or elsewhere on its property and purchases the system’s electric output from the solar services provider for a predetermined period. A taxpayer with a Solar Power Purchase Agreement or other type of leasing agreement is eligible for an energy conservation real property tax credit.

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**CODE INDEX TOPICS:**

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**INCLUSION FILES:**

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