

# SENATE BILL 103

Q3

3lr0922

(PRE-FILED)

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By: **Senator Ellis**

Requested: November 18, 2022

Introduced and read first time: January 11, 2023

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Maryland Residential Solar Investment Tax Credit**

3 FOR the purpose of allowing a credit against the State income tax for the costs of certain  
4 photovoltaic property placed into service by an individual during the taxable year;  
5 prohibiting an individual from claiming the credit under certain circumstances;  
6 providing for the carryforward of any unused credit; and generally relating to a State  
7 income tax credit for photovoltaic property installed by individuals.

8 BY adding to

9 Article – Tax – General

10 Section 10–757

11 Annotated Code of Maryland

12 (2022 Replacement Volume)

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

15 **Article – Tax – General**

16 **10–757.**

17 **(A) IN THIS SECTION, “PHOTOVOLTAIC PROPERTY” HAS THE MEANING**  
18 **STATED IN § 9–2007 OF THE STATE GOVERNMENT ARTICLE.**

19 **(B) AN INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX**  
20 **FOR A TAXABLE YEAR AS PROVIDED IN THIS SECTION FOR THE COSTS OF**  
21 **PHOTOVOLTAIC PROPERTY THAT IS MOUNTED ON THE ROOFTOP OF RESIDENTIAL**  
22 **REAL PROPERTY OWNED BY THE INDIVIDUAL AND PLACED IN SERVICE DURING THE**  
23 **TAXABLE YEAR.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(C) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION**  
2 **MAY NOT EXCEED THE LESSER OF:**

3                   **(1) \$15,000; OR**

4                   **(2) 25% OF THE INSTALLED COST OF THE PHOTOVOLTAIC PROPERTY.**

5           **(D) AN INDIVIDUAL MAY NOT CLAIM THE CREDIT UNDER THIS SECTION FOR**  
6 **THE INSTALLATION OF PHOTOVOLTAIC PROPERTY FOR WHICH THE INDIVIDUAL HAS**  
7 **ALSO RECEIVED A GRANT UNDER THE SOLAR ENERGY GRANT PROGRAM**  
8 **ESTABLISHED UNDER § 9-2007 OF THE STATE GOVERNMENT ARTICLE.**

9           **(E) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE STATE**  
10 **INCOME TAX, ANY UNUSED CREDIT MAY BE CARRIED FORWARD AND APPLIED FOR**  
11 **SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:**

12                   **(1) THE DATE ON WHICH THE FULL AMOUNT OF THE CREDIT IS USED;**  
13 **OR**

14                   **(2) THE DATE OF THE EXPIRATION OF THE 5TH YEAR AFTER THE**  
15 **TAXABLE YEAR FOR WHICH THE CREDIT WAS ALLOWED.**

16           **(F) THE COMPTROLLER AND THE MARYLAND ENERGY ADMINISTRATION**  
17 **SHALL JOINTLY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.**

18           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
19 1, 2023, and shall be applicable to all taxable years beginning after December 31, 2022.