

# HOUSE BILL 502

Q4

11r1446  
CF SB 398

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By: **Delegates Barve, Cardin, Carr, Gilchrist, Ivey, A. Miller, Rosenberg, and F. Turner**

Introduced and read first time: February 7, 2011  
Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2           **Sales and Use Tax – Sale of Electricity Generated by Solar Energy**  
3                                   **Equipment – Exemption**

4 FOR the purpose of providing an exemption from the sales and use tax for the sale of  
5 electricity generated by certain solar energy equipment for certain purposes;  
6 and generally relating to a sales and use tax exemption for the sale of certain  
7 electricity.

8 BY repealing and reenacting, with amendments,  
9 Article – Tax – General  
10 Section 11–207(a)  
11 Annotated Code of Maryland  
12 (2010 Replacement Volume)

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

15                                   **Article – Tax – General**

16 11–207.

17           (a) The sales and use tax does not apply to:

18                                   (1) a sale of electricity, steam, or artificial or natural gas for use in  
19 residential condominiums;

20                                   (2) a sale of electricity, steam, or artificial or natural gas that is  
21 delivered under a residential or domestic rate schedule on file with the Public Service  
22 Commission;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (3) a sale of coal, firewood, heating oil, or propane gas or similar  
2 liquefied gas for use in residential property that contains not more than 4 units,  
3 cooperative housing, condominiums, or other similar residential living arrangements;  
4 **[or]**

5           (4) a sale of electricity through 3 or more bulk meters for use in a  
6 nonprofit planned retirement community of more than 2,000 housing cooperative or  
7 condominium units if:

8                   (i) ownership of units is restricted by age;

9                   (ii) any unit is served by an individual meter; and

10                   (iii) on or before July 1, 1979, at least 3 bulk meters served the  
11 community; **OR**

12           **(5) A SALE OF ELECTRICITY GENERATED BY SOLAR ENERGY**  
13 **EQUIPMENT, AS DEFINED UNDER § 11-230 OF THIS SUBTITLE, FOR USE IN**  
14 **RESIDENTIAL PROPERTY OR FOR SUPPLY TO THE ELECTRIC GRID.**

15           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 July 1, 2011.