

HARFORD COUNTY SOLAR / GEOTHERMAL TAX CREDIT



Geothermal Energy Device

- A geothermal energy device is defined as an energy conserving device that utilizes energy from naturally occurring heat in the interior of the earth
- Geothermal device must be used to heat or cool a structure, provide hot water for use in the structure, or to generate electricity for use in the structure
- Geothermal device must meet national safety and performance standards set by a nationally recognized testing laboratory for that type of device

Solar Energy Device

- A solar energy device is defined as an energy conserving device that uses energy derived from the sun's radiation that is converted into thermal or electric energy
- Solar energy device includes collectors, panels, storage tanks, and all other hardware necessary and used as part of the operating mechanism to derive sun's radiation
- Solar energy device must be used to heat or cool a structure, to provide hot water for the structure, or to provide electricity to be used in the structure
- Solar energy device must meet national safety standards set by a nationally recognized testing laboratory for that type of device

Credit Authorization

- Tax credit created from County real property taxes levied on residential and nonresidential buildings or other structures that use solar energy device or geothermal energy device
- Solar energy device or geothermal energy device must be used for heating and cooling of buildings or structures, supplying hot water for use within the buildings or other structures, or for generation of electricity to be used in the structure
- The tax credit shall be levied from taxes on the buildings or structures and not from the land

Application Deadline

- Application for tax credit for use of solar energy device or geothermal energy device must be filed on or before October 1st immediately prior to the taxable year for which tax credit is first sought
- If application is not filed as stated above, it will be disallowed for that year

Amount of Credit

- The total real property tax credit allowed under this section shall be the lesser amount of up to a maximum of \$2,500 per QUALIFYING CONSERVATION ENERGY DEVICE for the costs of materials and installation or construction of EITHER the solar energy device or geothermal device
- The tax credit is to apply against one year of property taxes
- Unused tax credit – (For applications received after the 9/30/10 change in legislation). The tax credit can be applied against, and cannot exceed, the amount of the County property tax on the property. Any unused credit amount can be carried forward for an additional 2 years

SUBMISSION OF APPLICATION

- All applications for tax credits allowed under the provisions of this section must be submitted to the Director of Administration only on forms prepared by that office
- An application shall be filed one time only for the duration of the tax credit
- Each application is to be made under oath or affirmation
- Each application shall contain a declaration preceding the signature of applicant to the effect that it is made under the penalties of perjury as stated in Section 9-203 of the Tax-Property Article of the Annotated Code of Maryland
- Each application shall be accompanied by documented receipts of purchase of materials or supplies and the actual installation cost, if available
- Otherwise, the application shall be accompanied by a statement of the cost of materials, supplies, and installation cost
- Statement of cost must be verified in the same manner as the application by the person competent to so certify
- To obtain application, contact Jason Boyle, Department of the Treasury, telephone: 410-638-3455 / 410-879-2000, x3455; Fax: 410-638-4101

Annual Limit on Amount of Credits Granted

- The total tax credit allowed by Harford County for any one year may not exceed \$250,000
- The granting of credits shall be on a first-come, first-serve basis
- When the limit is reached, any subsequent applications will be carried over to the next succeeding year or years

FOR MORE INFORMATION, CONTACT:

JASON BOYLE, DEPARTMENT OF THE TREASURY
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