

[(3)] (5) (4) [(i) Except as provided in subparagraph (ii) of this paragraph, “qualified” “QUALIFIED Maryland facility” means a facility located in the State that:

[1.] (I) primarily uses qualified energy resources to produce electricity and is originally placed in service on or after January 1, [2001] 2006, but before January 1, [2005] 2011; or

[2.] (II) produces electricity from a qualified energy resource that is co-fired with coal and initially begins co-firing a qualified energy resource on or after January 1, [2001] 2006, but before January 1, [2005] 2011, regardless of when the original facility was placed in service.

[(ii) “Qualified Maryland facility” does not include a qualified facility that claims a tax credit under § 45 of the Internal Revenue Code:

1. that is originally placed in service before January 1, 2002;
or

2. if § 45 of the Internal Revenue Code is amended to extend the applicability of the credit under that section, that is originally placed in service during the time period specified in § 45 of the Internal Revenue Code for eligibility for the credit under that section.]

(b) (1) Except as provided in [paragraph (2)] PARAGRAPHS (2) AND (3) of this subsection, an individual or corporation THAT RECEIVES AN INITIAL CREDIT CERTIFICATE FROM THE ADMINISTRATION may claim a credit against the State income tax for a taxable year in an amount equal to 0.85 cents for each kilowatt hour of electricity:

(i) produced by the individual or corporation from qualified energy resources at a qualified Maryland facility during the ~~10-year~~ 5-YEAR period [beginning on:

1. the date the facility was originally placed in service; or
2. in the case of a facility that produces electricity from a qualified energy resource that is co-fired with coal, the date of the initial co-firing] SPECIFIED IN THE INITIAL CREDIT CERTIFICATE; and

(ii) sold by the individual or corporation to a person other than a related person, within the meaning of § 45 of the Internal Revenue Code, during the taxable year.

(2) If the electricity is produced from a qualified energy resource that is co-fired at a facility that produces electricity from coal, the credit is 0.5 cents for each kilowatt hour of electricity produced from the qualified energy resource instead of 0.85 cents.

(3) THE ANNUAL TAX CREDIT UNDER THIS SUBSECTION MAY NOT EXCEED ~~ONE-TENTH~~ ONE-FIFTH OF THE MAXIMUM AMOUNT OF CREDIT STATED IN THE INITIAL CREDIT CERTIFICATE.