

- (5) 20% FOR THE FIFTH TAXABLE YEAR; AND
- (6) 0% FOR EACH SUBSEQUENT TAXABLE YEAR.

(C) FOR EACH TAXABLE YEAR FOR WHICH A GRANT IS TO BE PROVIDED UNDER THIS SECTION, THE DEPARTMENT OF ASSESSMENTS AND TAXATION SHALL DETERMINE AND CERTIFY TO THE COMPTROLLER CALVERT COUNTY'S PROPERTY TAX REVENUE FOR THE TAXABLE YEAR DERIVED FROM PERSONAL PROPERTY THAT IS MACHINERY OR EQUIPMENT USED TO GENERATE ELECTRICITY FOR SALE.

(D) THE COMPTROLLER SHALL PAY THE AMOUNTS PROVIDED UNDER THIS SECTION TO CALVERT COUNTY IN EQUAL AMOUNTS FOR EACH QUARTER AT THE END OF EACH QUARTER OF THE TAXABLE YEAR FOR WHICH THE PAYMENTS ARE MADE.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Public Service Commission shall determine and require an adjustment in electric and gas utility ~~rates~~ unbundled rate components to be effective January 1, 2000, solely to reflect any net tax savings or net tax increase to an electric or gas public service company under this Act to the extent those taxes ~~are attributable to regulated utility operations~~ and are properly included in cost of service for rate making purposes.

(b) If an electric or gas public service company elects to surcharge its customers for the public service company franchise tax imposed under § 8-402.1 of the Tax - General Article, as enacted under Section 1 of this Act, the Public Service Commission shall determine and require a reduction in electric or gas utility rates to be effective when the surcharge takes effect, to reflect the elimination of that portion of the public service company franchise tax that was formerly included in electric or gas utility rates.

(c) Notwithstanding § 8-409(b) of the Tax - General Article as enacted under Section 1 of this Act, an electric or gas public service company may not add the public service company franchise tax imposed under § 8-402.1 of the Tax - General Article, as enacted under Section 1 of this Act, to its charge to the customer for electric or gas service until the reduction required under subsection (b) of this section takes effect.

SECTION 3. AND BE IT FURTHER ENACTED, That, subject to Section 4 of this Act ~~and except as otherwise provided in this Section~~, Section 1 of this Act shall take effect January 1, 2000. The The changes to the property tax under Section 1 of this Act shall be applicable to all taxable years beginning on or after July 1, 2000. The reimbursements to counties under Article 24, §§ 9-1102 and 9-1103 of the Code shall be applicable to all fiscal years beginning on or after July 1, 2000. Except as otherwise provided in this section, the changes to the public service company franchise tax and the income tax under Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 1999; provided, however, that the income tax credit allowed under §10-712 of the Tax - General Article shall be allowed only for property tax paid for a property tax year beginning on or after July 1, 2000. If for