

(II) "QUALIFIED MARYLAND FACILITY" DOES NOT INCLUDE A QUALIFIED FACILITY ~~ELIGIBLE FOR THE~~ 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) OF THIS SUBSECTION, A AN TAXPAYER INDIVIDUAL OR CORPORATION 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 TAXPAYER INDIVIDUAL OR CORPORATION FROM QUALIFIED ENERGY RESOURCES AT A QUALIFIED MARYLAND FACILITY DURING THE 10-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 LATER OF~~ THE DATE OF THE INITIAL CO-FIRING ~~OR JANUARY 1, 2001~~, AND

(II) SOLD BY THE TAXPAYER 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.

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

(1) THE FULL AMOUNT OF THE CREDIT IS USED; OR

(2) THE EXPIRATION OF THE 10TH TAXABLE YEAR AFTER THE TAXABLE YEAR IN WHICH THE CREDIT AROSE.

SECTION 4. AND BE IT FURTHER ENACTED, That the Maryland Energy Administration, in consultation with manufacturers, retailers, and public interests groups, shall develop voluntary labeling and public information materials to identify products eligible for the tax incentives provided under this Act.