

(2) HOT OR CHILLED WATER FOR SALE THAT IS USED TO HEAT OR COOL A BUILDING.

(b) Personal property that is machinery or equipment ~~used to generate electricity OR STEAM for sale~~ DESCRIBED IN SUBSECTION (A) OF THIS SECTION is subject to county or municipal corporation property tax on:

- (1) 75% of its value for the taxable year beginning July 1, 2000; and
- (2) 50% of its value for the taxable year beginning July 1, 2001 and each subsequent taxable year.

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(c) Personal property is a class of property and is divided into the following subclasses:

- (1) stock in business;
- (2) distilled spirits;
- (3) operating personal property of a railroad;
- (4) operating personal property of a public utility that is machinery or equipment used to generate electricity OR STEAM FOR SALE;
- (5) all other operating personal property of a public utility;
- (6) machinery and equipment ~~used to generate electricity OR STEAM,~~ other than operating personal property of a public utility, THAT IS USED TO GENERATE.

(I) ELECTRICITY OR STEAM FOR SALE; OR

(II) HOT OR CHILLED WATER FOR SALE THAT IS USED TO HEAT OR COOL A BUILDING; and

- (7) all other personal property that is directed by this article to be assessed.

SECTION 2. AND BE IT FURTHER ENACTED, That 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, 2001. The changes to the income tax under Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 2000; provided, however, that for steam heating companies, 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, 2001.

~~SECTION 2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2000.

Approved May 18, 2000.