

Maryland Laws and Incentives for Tax Incentives

The list below contains summaries of all Maryland laws and incentives related to Tax Incentives.

State Incentives

Electric Vehicle Supply Equipment (EVSE) Tax Credit

The Maryland Energy Administration (MEA) offers an income tax credit equal to 20% of the cost of qualified EVSE that meets the definition of qualified alternative fuel vehicle refueling property as set forth in the Internal Revenue Code. The credit may not exceed the lesser of \$400 or the state income tax imposed for that tax year. The tax credit is limited to one EVSE system per individual and 30 EVSE systems per business entity. Unused credits may not be carried over. MEA may adopt regulations to limit the credit amounts. Total funding for each tax year through 2016 is \$600,000. (Reference [House Bill](#) 791, 2013 and [Maryland Statutes](#), Tax-General Code 10-729)

Plug-In Electric Vehicle (PEV) Tax Credit

Purchasers of qualified PEVs may apply for a tax credit against the imposed excise tax. The tax credit is limited to one vehicle per individual and 10 vehicles per business entity. Vehicles must be registered in Maryland, unless the vehicle manufacturer conforms to applicable state or federal laws or regulations governing clean fuel vehicles or PEVs during the year in which the vehicle was purchased, or the vehicle was originally registered in another state. A qualified vehicle must meet the following criteria:

- Has a gross vehicle weight rating of 8,500 pounds or less;
- Can achieve a maximum speed of at least 55 miles per hour;
- Is a two-, three-, or four-wheeled vehicle;
- Is propelled to a significant extent by an electric motor that draws electricity from a battery with a capacity of at least four kilowatt hours in the case of a four-wheeled motor vehicle, or at least two and a half kilowatt hours in the case of a two- or three-wheeled motor vehicle;
- Has not been modified from original manufacturer specifications; and
- Is purchased between October 1, 2010, and June 30, 2014.

Between July 1, 2013 and June 30, 2014 the credit amounts are as follows:

Description	Amount
The vehicle battery capacity is at least four kilowatt hours, up to 10 kilowatt hours	\$600
The vehicle battery capacity is at least 10.1 kilowatt hours, up to 15 kilowatt hours	\$700
The vehicle battery capacity is over 15 kilowatt hours	\$1,000

(Reference [House Bill](#) 791, 2013 and [Maryland Statutes](#), Transportation Code 13-815)

Cellulosic Ethanol Research and Development Tax Credit

An individual or corporation may claim a credit against the state income tax for 10% of qualified research and development expenses for cellulosic ethanol technology. The total credit may not exceed \$250,000 per calendar year. If the credit allowed exceeds the tax liability of the individual or corporation for that taxable year, the credit may be applied for up to 15 future taxable years after the qualified expenses were incurred. This tax credit does not apply to qualified expenses incurred after December 31, 2016. (Reference [Maryland Statutes](#) Tax-General Code 10-205j, 10-306f, and 10-726)

Biofuels Production Incentive

Qualified ethanol and biodiesel producers are eligible for production incentives on a per gallon basis. To be eligible for the incentive, the producer must first apply for and receive certification from the Renewable Fuels Incentive Board (Board). Credits are offered to certified producers in Maryland for ethanol or biodiesel produced between December 31,

2007, and December 31, 2017.

Ethanol production credits are as follows: a) \$0.20 per gallon of ethanol produced from small grains such as wheat, rye, triticale, oats, and hulled or hull-less barley; or b) \$0.05 per gallon of ethanol produced from other agricultural products. The Board may not certify ethanol production credits for more than 15 million gallons per calendar year, of which at least 10 million gallons must be produced from small grains.

Biodiesel production credits are as follows: a) \$0.20 per gallon of biodiesel produced from soybean oil (the soybean oil must be produced in a facility or through expanded capacity of a facility that began operating after December 31, 2004), or b) \$0.05 per gallon for biodiesel produced from other feedstocks, including soybean oil produced in a facility that began operating on or before December 31, 2004. The Board may not certify biodiesel production credits for more than five million gallons per calendar year, of which at least two million gallons must be from soybean oil produced in a facility as described above.

(Reference [Maryland Statutes](#), Agriculture Code 10-1501 through 10-1507)

The AFDC is a resource of the U.S. Department of Energy's Clean Cities program.

Contacts | Web Site Policies | U.S. Department of Energy | USA.gov
Content Last Updated: 11/12/2013