



## **Maryland Energy Storage Income Tax Credit Program** **- Example Tax Credit Calculations Fact Sheet -**

January 2024

The Maryland Energy Administration has generated example tax credit calculations for hypothetical energy storage systems installed at residential and commercial properties in the State. The project costs for energy storage systems included in the examples below are not reflective of actual pricing and your experience may vary.

### **Residential Examples:**

1. A residential homeowner installs a 7 kW/13 kWh energy storage system at his/her property located in Maryland, with installed costs totaling \$7,500. The homeowner would be eligible to receive an energy storage tax credit certificate totaling \$2,250:  $\$7,500 \times 0.3 = \$2,250$ .
2. A residential homeowner installs a 14 kW/26 kWh energy storage system at his/her property located in Maryland, with installed costs totaling \$18,000. The homeowner would be eligible to receive an energy storage tax credit certificate totaling \$5,000 because  $\$18,000 \times 0.3 = \$5,400$ , and the maximum tax credit amount allowed for a residential property is \$5,000.

### **Commercial Examples:**

1. A business installs a 100 kW/175 kWh energy storage system at its commercial property located in Maryland, with installed costs totaling \$145,000. The business would be eligible to receive an energy storage tax credit certificate totaling \$43,500:  $\$145,000 \times 0.3 = \$43,500$ .
2. A business installs a 400 kW/1,000 kWh energy storage system at its commercial property located in Maryland, with installed costs totaling \$555,000. The business receives an energy storage tax credit certificate totaling \$150,000 because  $\$555,000 \times 0.3 = \$166,500$ , and the maximum tax credit amount allowed for a commercial property is \$150,000.

**Disclaimer:** MEA is not a tax office and any guidance provided by MEA staff or Maryland Energy Storage Income Tax Credit Program documents should not be considered tax advice.

If you have general questions about Maryland state income taxes, please contact the Comptroller of Maryland (<http://www.marylandtaxes.gov>) and/or a licensed tax professional. If you have any questions directly related to claiming the Maryland Energy Storage Income Tax Credit, please contact the Comptroller of Maryland's Taxpayer Service Office.

Taxpayer Service Office

Comptroller of Maryland

410-260-7980

[TAcorrespondence@marylandtaxes.gov](mailto:TAcorrespondence@marylandtaxes.gov)

[www.marylandtaxes.gov](http://www.marylandtaxes.gov)

**Contact:**

For questions about the Maryland Energy Storage Income Tax Credit Program, please contact Abigail Antonini via email at [energystorage.mea@maryland.gov](mailto:energystorage.mea@maryland.gov).