

Office of the County Auditor
Auditor's Analysis

Council Bill No. 17-2025

Introduced: March 3, 2025

Auditor: Rebecca Gold

Fiscal Impact:

The fiscal impact of this legislation includes foregone Property Tax Revenues of a maximum of \$500,000 annually in the form of Property Tax Credits to property owners installing geothermal energy devices on residential structures.

Purpose:

This legislation reinstates a modified version of the Property Tax Credit for qualifying energy conservation devices (Section 20.128A of the County Code), permitting the tax credit specifically for the installation of geothermal energy devices.

Other Comments:

Council Bill 67-2006 provided a property tax credit for the installation of certain qualifying energy conservation devices, which included both solar and geothermal energy devices. The annual limit of the tax credit was initially \$250,000.

Council Bill 21-2011 temporarily increased the annual tax credit limit to \$500,000 and provided a sunset provision that no more of these tax credit applications would be accepted after April 1, 2012. This enabled the County to clear up an applicant waitlist of over 250 residents over the next several years, with the last credit dispersed in FY 2018.

For context, below are the final years of the Property Tax Credit for qualifying energy devices, as waitlisted applicants were approved and credited. These credits were disbursed during the winding down of the program and are not indicative of the potential number of future applicants:

Fiscal Year	Total Properties	Geothermal Properties	Total Energy Tax Credit	Tax Credit for Geo. Devices
FY 2016	31	11	\$ 42,212	\$ 15,558
FY 2017	2	0	3,286	0
FY 2018	1	1	781	781

Source: Department of Finance