

HOUSE BILL 730

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HB 937/99 - W&M

2000 Regular Session
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By: **Delegates O'Donnell, Amedori, R. Baker, Baldwin, Brinkley, Burns, Cadden, C. Davis, DeCarlo, Donoghue, Dypski, Elliott, Fulton, Getty, Glassman, Hurson, Hutchins, James, Kach, Kittleman, La Vay, Marriott, McKee, Mitchell, Owings, Paige, Parrott, Ports, Shank, Stocksdale, Valderrama, and Weir**

Introduced and read first time: February 10, 2000
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Emissions Inspection Program - State Income Tax Credit for**
3 **Emissions Related Repairs**

4 FOR the purpose of allowing a credit against the Maryland State income tax for
5 certain expenses incurred for emissions related repairs for a vehicle that has
6 failed the exhaust emissions test under the motor vehicle emissions control
7 program; providing for the applicability of this Act; and generally relating to a
8 credit against the Maryland State income tax for certain expenses incurred for
9 emissions related repairs.

10 BY adding to
11 Article - Tax - General
12 Section 10-718
13 Annotated Code of Maryland
14 (1997 Replacement Volume and 1999 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article - Transportation
17 Section 23-201(e) and 23-202(c)(1)
18 Annotated Code of Maryland
19 (1999 Replacement Volume and 1999 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
21 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Tax - General**

2 10-718.

3 (A) IN THIS SECTION, "EMISSIONS RELATED REPAIR" HAS THE MEANING
4 STATED IN § 23-201 OF THE TRANSPORTATION ARTICLE.

5 (B) AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE
6 STATE INCOME TAX IN AN AMOUNT EQUAL TO THE LESSER OF:

7 (1) 100% OF THE EXPENSES INCURRED BY THE INDIVIDUAL OR
8 CORPORATION FOR EMISSIONS RELATED REPAIRS FOR A VEHICLE THAT HAS FAILED
9 THE EXHAUST EMISSIONS TEST UNDER THE MOTOR VEHICLE EMISSIONS CONTROL
10 PROGRAM ESTABLISHED UNDER TITLE 23, SUBTITLE 2 OF THE TRANSPORTATION
11 ARTICLE; OR

12 (2) THE MINIMUM EXPENDITURE FOR EMISSIONS RELATED REPAIRS
13 REQUIRED UNDER § 23-202(C) OF THE TRANSPORTATION ARTICLE FOR A WAIVER OF A
14 VEHICLE THAT HAS FAILED TO PASS THE EXHAUST EMISSIONS TEST.

15 **Article - Transportation**

16 23-201.

17 (e) (1) "Emissions related repair" means the inspection, adjustment, repair,
18 or replacement of motor vehicle engine systems, subsystems, or components as
19 necessary to bring a motor vehicle into compliance with emissions standards adopted
20 in accordance with the provisions of this subtitle.

21 (2) "Emissions related repair" does not include adjustment, repair, or
22 replacement necessitated by tampering or misfueling.

23 23-202.

24 (c) By rules and regulations, the Administration and the Secretary:

25 (1) Shall grant a waiver to a vehicle owner if:

26 (i) The vehicle fails to pass the exhaust emissions test;

27 (ii) The vehicle owner exhibits evidence acceptable to the
28 Administration that the owner, for an initial exhaust emissions test occurring:

29 1. In calendar years 1998 through 1999 has actually incurred
30 an expenditure of \$150 towards emissions related repairs to the vehicle within 60
31 days after the initial exhaust emissions test;

32 2. In calendar years 2000 through 2001 has actually incurred
33 an expenditure towards emissions related repairs to the vehicle within 120 days after
34 the initial exhaust emissions test in an amount of:

- 1 A. \$200 for vehicles of model years 1990 and older;
- 2 B. \$300 for vehicles of model years 1991 through 1997; or
- 3 C. \$450 for vehicles of model years 1998 and newer; and

4 3. On or after January 1, 2002, has actually incurred an
5 expenditure of \$450 towards emissions related repairs to the vehicle within 120 days
6 after the exhaust emissions test;

7 (iii) The vehicle fails a retest, except that if the vehicle owner has
8 exhibited evidence acceptable to the Administration that the vehicle owner actually
9 incurred the minimum expenditure as required under item (1)(ii) of this subsection
10 for the emissions related repair to the vehicle within 30 days before the initial
11 exhaust emissions test or the period allowed under federal law, whichever is longer, a
12 retest is not required; and

13 (iv) The vehicle owner exhibits evidence that the emissions related
14 repairs qualifying for a waiver under items (1)(ii) and (iii) of this subsection were
15 performed by a repair technician and at a repair facility both certified under item (4)
16 of this subsection;

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 July 1, 2000 and shall be applicable to all taxable years beginning after December 31,
19 1999.