

Chapter 278

(Senate Bill 484)

AN ACT concerning

Income Tax Credit – Oyster Shell Recycling

FOR the purpose of allowing an individual or corporation a credit against the State income tax for each bushel of oyster shells recycled during the taxable year; requiring an individual or corporation that claims the credit to provide verification of the amount of oyster shells recycled; providing that the credit may not exceed a certain amount; providing that the credit may not be carried forward to another taxable year; requiring the Department of Natural Resources and the Comptroller jointly to adopt certain regulations; providing for the application of this Act; providing for the termination of this Act; and generally relating to an income tax credit for oyster shell recycling.

BY adding to

Article – Tax – General

Section 10–724.1

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

Article – Tax – General

10–724.1.

(A) (1) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO \$1 FOR EACH BUSHEL OF OYSTER SHELLS RECYCLED DURING THE TAXABLE YEAR.

(2) AN INDIVIDUAL OR A CORPORATION THAT CLAIMS THE CREDIT UNDER THIS SECTION SHALL PROVIDE VERIFICATION OF THE AMOUNT OF OYSTER SHELLS RECYCLED DURING THE TAXABLE YEAR WITH THE INDIVIDUAL OR CORPORATION TAX RETURN.

(B) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE LESSER OF:

- (I) ~~1. \$750 FOR A BUSINESS; AND~~
~~2. \$100 FOR AN INDIVIDUAL; OR~~

(II) THE STATE INCOME TAX CALCULATED BEFORE APPLICATION OF THE CREDIT ALLOWED UNDER THIS SECTION AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE.

(2) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

(C) (1) THE DEPARTMENT OF NATURAL RESOURCES AND THE COMPTROLLER JOINTLY SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION.

(2) THE REGULATIONS SHALL ESTABLISH ELIGIBILITY CRITERIA AND PROVIDE FOR THE CERTIFICATION OF BUSINESSES, LANDFILLS, AND NONPROFIT ORGANIZATIONS TO VERIFY THE AMOUNT OF OYSTER SHELLS RECYCLED BY EACH INDIVIDUAL OR CORPORATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of 5 years and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 2, 2013.