

SENATE BILL 317

Q3, M3

4lr0435

By: **Senator Simonaire**

Introduced and read first time: January 17, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Income Tax – Subtraction Modification – Stormwater Remediation Fee (Rain Tax)

FOR the purpose of providing a subtraction modification under the Maryland individual and corporate income tax for the expense of certain stormwater remediation fees; providing that the subtraction does not apply to stormwater remediation fees that are deductible from federal adjusted gross income; providing for the application of this Act; and generally relating to a subtraction modification for certain stormwater remediation fees.

BY repealing and reenacting, without amendments,

Article – Environment
Section 4–202.1(e)
Annotated Code of Maryland
(2013 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Tax – General
Section 10–208(a)
Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

BY adding to

Article – Tax – General
Section 10–208(u)
Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–308(b)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

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

Article – Environment

4–202.1.

(e) (1) Except as provided in paragraph (2) of this subsection and subsection (f) of this section, a county or municipality shall establish and annually collect a stormwater remediation fee from owners of property located within the county or municipality in accordance with this section.

(2) Property owned by the State, a unit of State government, a county, a municipality, or a regularly organized volunteer fire department that is used for public purposes may not be charged a stormwater remediation fee under this section.

(3) (i) A county or municipality shall set a stormwater remediation fee for property in an amount that is based on the share of stormwater management services related to the property and provided by the county or municipality.

(ii) A county or municipality may set a stormwater remediation fee under this paragraph based on:

1. A flat rate;
2. An amount that is graduated, based on the amount of impervious surface on each property; or
3. Another method of calculation selected by the county or municipality.

(4) A stormwater remediation fee established under this section is separate from any charges that a county or municipality establishes related to stormwater management for new developments under § 4–204 of this subtitle, including fees for permitting, review of stormwater management plans, inspections, or monitoring.

Article – Tax – General

10–208.

(a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(U) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE EXPENSE OF ANY STORMWATER REMEDIATION FEE ESTABLISHED UNDER § 4-202.1(E) OF THE ENVIRONMENT ARTICLE.

(2) THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT INCLUDE THE AMOUNT OF ANY STORMWATER REMEDIATION FEE THAT IS DEDUCTIBLE FROM FEDERAL ADJUSTED GROSS INCOME.

10-308.

(b) The subtraction under subsection (a) of this section includes the amounts allowed to be subtracted for an individual under:

(1) § 10-208(d) of this title (Enhanced agricultural management equipment expenses);

(2) § 10-208(i) of this title (Reforestation or timber stand expenses);

(3) § 10-208(k) of this title (Wage expenses for targeted jobs); [and]

(4) § 10-208(p) of this title (Elevator handrails in health care facilities); AND

(5) § 10-208(U) OF THIS TITLE (STORMWATER REMEDIATION FEE).

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014, and shall be applicable to all taxable years beginning after December 31, 2013.