

# HOUSE BILL 1245

Q3

6lr2742

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By: **Delegates Adams, Arentz, Beitzel, Buckel, Ghrist, Jacobs, Kelly, Korman, McKay, and Otto**

Introduced and read first time: February 12, 2016

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit – Single–Family Dwellings – Smoke Detection Systems**

3 FOR the purpose of allowing a certain owner of a single–family dwelling to claim a credit  
4 against the State income tax in a certain amount if a certain smoke detection system  
5 is installed in the dwelling; requiring the individual claiming the tax credit to provide  
6 certain verification of ownership and certain proof of purchase and installation;  
7 limiting the tax credit to one record owner of a single–family dwelling; providing that  
8 the amount of the credit may not exceed the State income tax for that taxable year;  
9 authorizing a certain individual to apply any excess amount of the credit against the  
10 State income tax for succeeding taxable years; providing for the application of this  
11 Act; and generally relating to an income tax credit for single–family dwellings with  
12 certain smoke detection systems.

13 BY adding to

14 Article – Tax – General

15 Section 10–737

16 Annotated Code of Maryland

17 (2010 Replacement Volume and 2015 Supplement)

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

20 **Article – Tax – General**

21 **10–737.**

22 (A) **SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL WHO**  
23 **IS THE RECORD OWNER OF A SINGLE–FAMILY DWELLING MAY CLAIM A CREDIT**  
24 **AGAINST THE STATE INCOME TAX FOR THE TAXABLE YEAR IN WHICH THE**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 INDIVIDUAL INSTALLED A SMOKE ALARM OR SMOKE DETECTOR IN THE  
2 SINGLE-FAMILY DWELLING.

3 (B) THE CREDIT ALLOWED UNDER SUBSECTION (A) OF THIS SECTION MAY  
4 NOT EXCEED THE LESSER OF:

5 (1) \$500; OR

6 (2) THE COST OF PURCHASING AND INSTALLING IN THE  
7 SINGLE-FAMILY DWELLING A SMOKE ALARM OR SMOKE DETECTOR THAT MEETS THE  
8 REQUIREMENTS FOR SMOKE DETECTION SYSTEMS UNDER TITLE 9, SUBTITLE 1 OF  
9 THE PUBLIC SAFETY ARTICLE.

10 (C) (1) AN INDIVIDUAL WHO CLAIMS THE CREDIT UNDER THIS SECTION  
11 SHALL PROVIDE, WITH THE INDIVIDUAL'S TAX RETURN:

12 (I) VERIFICATION THAT THE INDIVIDUAL IS THE RECORD  
13 OWNER OF THE SINGLE-FAMILY DWELLING; AND

14 (II) PROOF THAT THE INDIVIDUAL PURCHASED AND INSTALLED,  
15 OR PAID A THIRD PARTY TO INSTALL, THE SMOKE ALARM OR SMOKE DETECTOR.

16 (2) ONLY ONE RECORD OWNER FOR EACH DWELLING MAY CLAIM THE  
17 CREDIT ALLOWED UNDER THIS SECTION.

18 (D) (1) THE TOTAL AMOUNT OF THE CREDIT ALLOWED UNDER THIS  
19 SECTION FOR ANY TAXABLE YEAR MAY NOT EXCEED THE STATE INCOME TAX  
20 IMPOSED FOR THAT TAXABLE YEAR.

21 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION IN A TAXABLE  
22 YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, THE INDIVIDUAL  
23 CLAIMING THE CREDIT MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE  
24 INCOME TAX FOR SUCCEEDING TAXABLE YEARS UNTIL THE FULL AMOUNT OF THE  
25 EXCESS IS USED.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
27 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.