
By: Senator Ferguson

Requested: June 21, 1995

Introduced and read first time: January 10, 1996

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Subtraction Modification for Tuition Paid for Private Elementary and**
3 **Secondary Education**

4 FOR the purpose of providing a subtraction modification under the Maryland income tax
5 for certain tuition paid to a private institution of elementary or secondary education
6 in the State; providing for the application of this Act; and generally relating to a
7 subtraction modification for tuition paid to a private institution of elementary or
8 secondary education in the State.

9 BY repealing and reenacting, without amendments,
10 Article - Tax - General
11 Section 10-208(a)
12 Annotated Code of Maryland
13 (1988 Volume and 1995 Supplement)

14 BY adding to
15 Article - Tax - General
16 Section 10-208(l)
17 Annotated Code of Maryland
18 (1988 Volume and 1995 Supplement)

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

21 **Article - Tax - General**

22 10-208.

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

26 (L) (1) IN THIS SECTION, "PRIVATE INSTITUTION OF ELEMENTARY OR
27 SECONDARY EDUCATION" INCLUDES AN INSTITUTION OF ELEMENTARY OR
28 SECONDARY EDUCATION OPERATED BY A BONA FIDE RELIGIOUS ORGANIZATION.

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1 (2) SUBJECT TO THE LIMITATION IN PARAGRAPH (3) OF THIS
2 SUBSECTION, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION
3 INCLUDES THE AMOUNT OF TUITION PAID DURING THE TAXABLE YEAR BY AN
4 INDIVIDUAL TO A PRIVATE INSTITUTION OF ELEMENTARY OR SECONDARY
5 EDUCATION IN THE STATE FOR THE EDUCATION OF A DEPENDENT OF THE
6 INDIVIDUAL.

7 (3) FOR EACH STUDENT, THE TUITION INCLUDED UNDER PARAGRAPH
8 (2) OF THIS SUBSECTION MAY NOT EXCEED \$3,000 FOR ANY TAXABLE YEAR.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 1996 and shall be applicable to all taxable years beginning after December 31,
11 1995.