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**By: Delegates Cryor, Eckardt, Dembrow, Harkins, Mossburg, Dypski, Greenip, Rzepkowski, Rosapepe, Minnick, Klausmeier, Ports, and Walkup**

Introduced and read first time: January 31, 1997

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit for Computers Donated to Schools and Libraries**

3 FOR the purpose of allowing a credit against the State income tax in a certain amount for  
4 each computer donated by an individual or a corporation to certain schools and  
5 libraries in the State for certain purposes; providing for the carryover of unused  
6 credit if the credit exceeds the State income tax otherwise payable for a taxable  
7 year; providing for the application of this Act; and generally relating to an income  
8 tax credit for computers donated to certain schools and libraries in the State.

9 BY adding to

10 Article - Tax - General  
11 Section 10-708  
12 Annotated Code of Maryland  
13 (1988 Volume and 1996 Supplement)

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

16 **Article - Tax - General**

17 10-708.

18 (A) AN INDIVIDUAL OR A CORPORATION MAY CLAIM A TAX CREDIT IN AN  
19 AMOUNT EQUAL TO \$50 FOR EACH COMPUTER THAT THE INDIVIDUAL OR  
20 CORPORATION DONATES DURING THE TAXABLE YEAR TO A PUBLIC OR PRIVATE  
21 ELEMENTARY OR SECONDARY SCHOOL OR PUBLIC LIBRARY LOCATED IN THE  
22 STATE SO THAT THE SCHOOLS AND LIBRARIES MAY MAKE THE COMPUTERS  
23 AVAILABLE TO STUDENTS TO TAKE HOME TO USE ON A LONG-TERM LOAN BASIS.

24 (B) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR  
25 EXCEEDS THE STATE INCOME TAX OTHERWISE PAYABLE BY THE INDIVIDUAL OR  
26 CORPORATION FOR THAT TAXABLE YEAR, THE INDIVIDUAL OR CORPORATION MAY  
27 APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING TAXABLE YEARS UNTIL THE  
28 EARLIER OF:

29 (1) THE FULL AMOUNT OF THE EXCESS IS USED; OR

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1                   (2) THE EXPIRATION OF THE FIFTH TAXABLE YEAR AFTER THE  
2 TAXABLE YEAR IN WHICH THE COMPUTER WAS DONATED.

3                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 1997 and shall be applicable to all taxable years beginning after December 31,  
5 1997.