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By: **Delegates Healey, Shriver, C. Davis, Cryor, Bonsack, Hixson, Ports,  
Bozman, Muse, Leopold, Beck, Linton, Rzepkowski, McKee, Hurson,  
Greenip, and Owings**

Introduced and read first time: February 13, 1998  
Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Subtraction for Computer Equipment Donated to Private and**  
3 **Parochial Schools and Nonprofit Educational Entities**

4 FOR the purpose of allowing an individual or a corporation a subtraction modification  
5 under the Maryland income tax for computer equipment valued above a certain  
6 amount that is donated by an individual or a corporation to certain schools in  
7 the State for certain purposes; providing that the subtraction modification is in  
8 addition to any deduction allowed for federal purposes for the donation of the  
9 equipment; providing for the application of this Act; and generally relating to a  
10 subtraction modification under the Maryland income tax for computer  
11 equipment donated to certain schools in the State.

12 BY repealing and reenacting, without amendments,  
13 Article - Tax - General  
14 Section 10-208(a) and 10-308(a)  
15 Annotated Code of Maryland  
16 (1997 Replacement Volume)

17 BY adding to  
18 Article - Tax - General  
19 Section 10-208(c-1)  
20 Annotated Code of Maryland  
21 (1997 Replacement Volume)

22 BY repealing and reenacting, with amendments,  
23 Article - Tax - General  
24 Section 10-308(b)  
25 Annotated Code of Maryland  
26 (1997 Replacement Volume)

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

3 **Article - Tax - General**

4 10-208.

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

8 (C-1) (1) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION  
9 INCLUDES THE VALUE OF ANY COMPUTER EQUIPMENT THAT THE TAXPAYER  
10 DONATES DURING THE TAXABLE YEAR TO A PRIVATE OR PAROCHIAL ELEMENTARY  
11 OR SECONDARY SCHOOL LOCATED IN THE STATE OR A NONPROFIT ENTITY THAT  
12 ASSISTS WITH THE EDUCATION OF MARYLAND CHILDREN. COMPUTER EQUIPMENT  
13 DONATED UNDER THIS SUBSECTION MAY BE MADE AVAILABLE FOR STUDENTS TO  
14 USE ON THE PREMISES OF A PRIVATE OR PAROCHIAL SCHOOL OR A NONPROFIT  
15 ENTITY THAT ASSISTS WITH THE EDUCATION OF MARYLAND CHILDREN, OR FOR  
16 STUDENTS TO USE AT HOME ON A LOAN BASIS.

17 (2) TO BE ELIGIBLE FOR THE SUBTRACTION UNDER THIS SUBSECTION,  
18 THE COMPUTER EQUIPMENT MUST HAVE AN AGGREGATE VALUE, AS DETERMINED  
19 BY THE ORION BLUE BOOK, THAT EXCEEDS \$1,000.

20 (3) THE SUBTRACTION ALLOWED UNDER THIS SUBSECTION IS IN  
21 ADDITION TO ANY ITEMIZED DEDUCTION THAT MAY BE ALLOWED FOR THE  
22 DONATION FOR FEDERAL TAX PURPOSES AND UNDER THIS SUBTITLE.

23 10-308.

24 (a) In addition to the modification under § 10-307 of this subtitle, the  
25 amounts under this section are subtracted from the federal taxable income of a  
26 corporation to determine Maryland modified income.

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

29 (1) § 10-208(C-1) OF THIS TITLE (COMPUTER EQUIPMENT DONATED TO  
30 SCHOOLS AND NONPROFIT EDUCATIONAL ENTITIES);

31 [(1)] (2) § 10-208(d) of this title (Conservation tillage equipment  
32 expenses);

33 [(2)] (3) § 10-208(i) of this title (Reforestation or timber stand  
34 expenses); and

35 [(3)] (4) § 10-208(k) of this title (Wage expenses for targeted jobs).

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 1998 and shall be applicable to all taxable years beginning after December  
3 31, 1998.