

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL NO. 661

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Glassman" and substitute "Glassman, Hixson, Shank, Finifter, Phillis, Cryor, McKee, Rosso, Bartlett, Carlson, and Shriver".

AMENDMENT NO. 2

On page 1, strike beginning with "Gain" in line 2 down through "Easement" in line 3 and substitute "Preservation and Conservation Easements"; in line 4, after "of" insert "allowing a credit against the State income tax for certain donations of land or an interest in land to the Maryland Environmental Trust;"; in line 7, after "Foundation;" insert "requiring that for purposes of the credit the fair market value of a donation be substantiated by a certain appraisal; limiting the amount of the credit that may be allowed for any taxable year; allowing certain unused credit to be carried forward and used in certain succeeding taxable years; providing an addition modification for Maryland income tax purposes under certain circumstances in the amount of the credit allowed;"; strike beginning with "an" in line 8 down through "Foundation" in line 10 and substitute "certain income tax benefits for certain transfers of a preservation or conservation easement or other interest in land to certain preservation or conservation programs"; and strike in their entirety lines 11 through 20; and after line 10, insert:

"BY adding to

Article - Tax - General

Section 10-205(i), 10-207(u), and 10-718

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-207(a) and 10-306(b)

(Over)

Annotated Code of Maryland  
(1997 Replacement Volume and 1999 Supplement)".

AMENDMENT NO. 3

On page 1, after line 23, insert:

"10-205.

(I) UNLESS AN INDIVIDUAL ELECTS TO USE THE STANDARD DEDUCTION UNDER § 10-217 OF THIS SUBTITLE TO COMPUTE MARYLAND TAXABLE INCOME, THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF A CREDIT CLAIMED UNDER § 10-718 OF THIS TITLE FOR THE DONATION OF A CONSERVATION EASEMENT TO THE MARYLAND ENVIRONMENTAL TRUST.";

and on page 2, after line 4, insert:

"10-306.

(b) The addition under subsection (a) of this section includes the additions required for an individual under:

(1) § 10-205(b) of this title (Enterprise zone wage credit, employment opportunity credit, and disability credit);

(2) § 10-205(c) of this title (Reforestation and timber stand modification);

(3) § 10-205(e) of this title (Net operating loss modification); [and]

(4) § 10-205(g) of this title (Unlicensed child care facility operating expenses);

AND

(5) § 10-205(I) OF THIS TITLE (CREDIT FOR DONATION OF CONSERVATION EASEMENT).

10-718.

(A) (1) AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 50% OF THE FAIR

MARKET VALUE OF ANY LAND OR INTEREST IN LAND:

(I) DONATED TO THE MARYLAND ENVIRONMENTAL TRUST;  
AND

(II) ACCEPTED AND APPROVED BY THE BOARD OF PUBLIC  
WORKS.

(2) THE CREDIT UNDER THIS SECTION SHALL BE ALLOWED FOR THE  
TAXABLE YEAR IN WHICH THE DONATION IS APPROVED BY THE BOARD OF PUBLIC  
WORKS.

(3) THE FAIR MARKET VALUE OF A DONATION FOR WHICH A CREDIT  
IS CLAIMED UNDER THIS SECTION SHALL BE SUBSTANTIATED BY AN APPRAISAL  
PREPARED BY A CERTIFIED APPRAISER, AS DEFINED UNDER § 16-101 OF THE  
BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.

(4) FOR ANY TAXABLE YEAR, THE AMOUNT OF THE CREDIT THAT  
MAY BE CLAIMED UNDER THIS SECTION MAY NOT EXCEED:

(I) \$50,000 FOR AN INDIVIDUAL; AND

(II) \$100,000 FOR A CORPORATION.

(5) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR ANY  
TAXABLE YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, AN  
INDIVIDUAL OR CORPORATION MAY APPLY THE EXCESS AS A CREDIT AGAINST THE  
STATE INCOME FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

(I) THE FULL AMOUNT OF THE EXCESS IS USED; OR

(II) THE EXPIRATION OF THE 10TH TAXABLE YEAR AFTER THE  
TAXABLE YEAR IN WHICH THE DONATION WAS APPROVED BY THE BOARD OF

PUBLIC WORKS.

(B) THE CREDIT UNDER THIS SECTION MAY NOT BE ALLOWED FOR DEDICATIONS OF OPEN SPACE FOR THE PURPOSE OF FULFILLING DENSITY REQUIREMENTS TO OBTAIN SUBDIVISION OR BUILDING PERMITS.”.