
By: **Delegates Rudolph, Glassman, James, and Bohanan**
Introduced and read first time: February 7, 2001
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Gain Recognized on Sale of Preservation or Conservation**
3 **Easements**

4 FOR the purpose of providing a subtraction modification under the Maryland income
5 tax for certain gain recognized on the sale or other disposition of a perpetual
6 easement or other perpetual interest in land to certain preservation or
7 conservation programs established by the State or a county; providing for the
8 application of this Act; and generally relating to an income tax subtraction
9 modification for certain gain recognized on the sale or other disposition of a
10 perpetual easement or other perpetual interest in land to certain preservation or
11 conservation programs.

12 BY repealing and reenacting, without amendments,
13 Article - Tax - General
14 Section 10-207(a)
15 Annotated Code of Maryland
16 (1997 Replacement Volume and 2000 Supplement)

17 BY adding to
18 Article - Tax - General
19 Section 10-207(v)
20 Annotated Code of Maryland
21 (1997 Replacement Volume and 2000 Supplement)

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

24 **Article - Tax - General**

25 10-207.

26 (a) To the extent included in federal adjusted gross income, the amounts under
27 this section are subtracted from the federal adjusted gross income of a resident to
28 determine Maryland adjusted gross income.

1 (V) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES
2 THE AMOUNT OF ANY GAIN RECOGNIZED ON THE SALE OR OTHER DISPOSITION OF A
3 PERPETUAL EASEMENT OR OTHER PERPETUAL INTEREST IN LAND TO:

4 (1) THE RURAL LEGACY PROGRAM ESTABLISHED UNDER TITLE 5,
5 SUBTITLE 9A OF THE NATURAL RESOURCES ARTICLE;

6 (2) THE MARYLAND ENVIRONMENTAL TRUST ESTABLISHED UNDER
7 TITLE 3, SUBTITLE 2 OF THE NATURAL RESOURCES ARTICLE;

8 (3) THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION
9 ESTABLISHED UNDER TITLE, 2, SUBTITLE 5 OF THE NATURAL RESOURCES ARTICLE;

10 (4) THE AGRICULTURAL LAND PRESERVATION PROGRAM OR
11 TRANSFERABLE DEVELOPMENT RIGHTS PROGRAM ESTABLISHED BY A COUNTY; OR

12 (5) THE STATE OR A LOCAL GOVERNING BODY UNDER PROGRAM OPEN
13 SPACE.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2001, and shall be applicable to all taxable years beginning after December 31,
16 2000.