
By: **Delegate Barve**
Introduced and read first time: February 21, 2002
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Nursing Students - State Income Tax Credit for Tuition Paid**

3 FOR the purpose of allowing a credit against the State income tax for certain tuition
4 paid by an individual for an education program leading to licensure in nursing;
5 providing for the application of this Act; and generally relating to a State income
6 tax credit for certain tuition paid by an individual for an education program
7 leading to licensure in nursing.

8 BY adding to
9 Article - Tax - General
10 Section 10-724
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 2001 Supplement)

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

15 **Article - Tax - General**

16 10-724.

17 (A) SUBJECT TO THE LIMITATION UNDER SUBSECTION (B) OF THIS SECTION,
18 AN INDIVIDUAL WHO IS ENROLLED IN AN EDUCATION PROGRAM LEADING TO
19 LICENSURE IN NURSING MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN
20 AN AMOUNT EQUAL TO 50% OF THE TUITION PAID BY THE INDIVIDUAL DURING THE
21 TAXABLE YEAR FOR THE EDUCATION PROGRAM.

22 (B) (1) THE CREDIT ALLOWED UNDER THIS SECTION FOR ANY TAXABLE
23 YEAR MAY NOT EXCEED THE LESSER OF:

24 (I) \$2,000; OR

25 (II) THE STATE INCOME TAX FOR THAT TAXABLE YEAR,
26 CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS
27 SECTION AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE
28 APPLICATION OF THE OTHER CREDITS ALLOWABLE UNDER THIS SUBTITLE.

1 (2) THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY
2 NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2002 and shall be applicable to all taxable years beginning after December 31,
5 2001.