

HOUSE BILL 3

Unofficial Copy
Q3

2003 Regular Session
3r0485

(PRE-FILED)

By: **Delegate Trueschler**

Requested: November 20, 2002

Introduced and read first time: January 8, 2003

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Classroom Supplies Purchased by Teachers**

3 FOR the purpose of authorizing certain elementary or secondary school teachers to
4 claim a certain credit against the State income tax for certain classroom
5 supplies purchased; providing that the credit may not exceed a certain amount;
6 prohibiting the unused amount of the credit from being carried over to any other
7 taxable year; requiring a certain addition modification to determine Maryland
8 adjusted gross income if a certain credit is claimed; providing for the application
9 of this Act; and generally relating to a credit against the State income tax for
10 certain classroom supplies purchased by certain elementary or secondary school
11 teachers.

12 BY repealing and reenacting, without amendments,
13 Article - Tax - General
14 Section 10-205(a)
15 Annotated Code of Maryland
16 (1997 Replacement Volume and 2002 Supplement)

17 BY adding to
18 Article - Tax - General
19 Section 10-205(j) and 10-725
20 Annotated Code of Maryland
21 (1997 Replacement Volume and 2002 Supplement)

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

1 **Article - Tax - General**

2 10-205.

3 (a) In addition to the modification under § 10-204 of this subtitle, the
4 amounts under this section are added to the federal adjusted gross income of a
5 resident to determine Maryland adjusted gross income.

6 (J) TO THE EXTENT EXCLUDED FROM FEDERAL ADJUSTED GROSS INCOME,
7 THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT
8 OF A CREDIT CLAIMED UNDER § 10-725 OF THIS TITLE FOR EXPENSES PAID FOR
9 TEACHERS' CLASSROOM SUPPLIES.

10 10-725.

11 (A) IN THIS SECTION:

12 (1) "ELIGIBLE TEACHER" MEANS AN INDIVIDUAL WHO IS A
13 KINDERGARTEN THROUGH GRADE TWELVE CLASSROOM TEACHER IN AN
14 ELEMENTARY OR SECONDARY SCHOOL ON A FULL-TIME BASIS FOR AN ACADEMIC
15 YEAR ENDING DURING A TAXABLE YEAR; AND

16 (2) "ELIGIBLE TEACHER" DOES NOT INCLUDE A TEACHER'S AIDE,
17 SUBSTITUTE TEACHER, COUNSELOR, OR ADMINISTRATOR.

18 (B) AN ELIGIBLE TEACHER MAY CLAIM A CREDIT AGAINST THE STATE
19 INCOME TAX IN AN AMOUNT EQUAL TO 100% OF EXPENSES PAID DURING THE
20 TAXABLE YEAR FOR CLASSROOM SUPPLIES FOR THE BENEFIT OF STUDENTS IF:

21 (1) THE EXPENSES ARE NOT REIMBURSED BY THE TEACHER'S
22 EMPLOYER OR THE PARENT TEACHER ASSOCIATION; AND

23 (2) THE SUPPLIES ARE:

24 (I) USED BY STUDENTS IN THE CLASSROOM; OR

25 (II) USED BY THE ELIGIBLE TEACHER TO PREPARE FOR OR DURING
26 CLASSROOM TEACHING.27 (C) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE
28 LESSER OF:

29 (I) \$300; OR

30 (II) THE ELIGIBLE TEACHER'S STATE INCOME TAX LIABILITY FOR
31 THAT TAXABLE YEAR.32 (2) THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY
33 NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

1 (D) IF A CREDIT IS CLAIMED UNDER THIS SECTION, THE CLAIMANT MUST
2 MAKE THE ADDITION REQUIRED UNDER § 10-205 OF THIS TITLE.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2003 and shall be applicable to all taxable years beginning after December 31,
5 2002.