
By: **Delegates Boteler, Frank, Cluster, Aumann, Costa, Cryor, DeBoy, Dwyer, Edwards, Fulton, Haddaway, Impallaria, Kach, Leopold, McConkey, McDonough, Miller, Minnick, Smigiel, Sossi, Trueschler, Weir, and Weldon**

Introduced and read first time: February 27, 2004
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Educational Materials - Home Instruction Program**

3 FOR the purpose of allowing certain individuals to claim a credit against the State
4 income tax up to a certain amount for certain educational materials purchased
5 for use in a home instruction program; providing that the credit may not exceed
6 the State income tax for that taxable year and that any unused credit for a
7 taxable year may not be carried over to any other taxable year; defining certain
8 terms; providing for the application of this Act; and generally relating to a credit
9 against the State income tax for certain educational materials purchased for use
10 in a home instruction program.

11 BY adding to
12 Article - Tax - General
13 Section 10-725
14 Annotated Code of Maryland
15 (1997 Replacement Volume and 2003 Supplement)

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

18 **Article - Tax - General**

19 10-725.

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
21 INDICATED.

22 (2) "EDUCATIONAL MATERIALS" INCLUDES BOOKS, SUPPLIES, AND
23 INSTRUCTIONAL MATERIALS RELEVANT TO A HOME INSTRUCTION PROGRAM IN THE
24 STUDIES USUALLY TAUGHT IN THE PUBLIC SCHOOLS OF THIS STATE.

1 (3) "ELIGIBLE INSTRUCTOR" MEANS A PARENT, GUARDIAN, OR OTHER
2 INDIVIDUAL WHO HAS CUSTODY OF A CHILD.

3 (4) "HOME INSTRUCTION PROGRAM" MEANS THE EDUCATION OF A
4 CHILD, PRIMARILY IN THE HOME, BY AN ELIGIBLE INSTRUCTOR WHERE THE CHILD
5 IS RECEIVING REGULAR, THOROUGH INSTRUCTION DURING THE SCHOOL YEAR IN
6 THE STUDIES USUALLY TAUGHT IN THE PUBLIC SCHOOLS TO CHILDREN OF THE
7 SAME AGE.

8 (B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN ELIGIBLE
9 INSTRUCTOR MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR THE COST
10 OF EDUCATIONAL MATERIALS PURCHASED FOR USE IN A HOME INSTRUCTION
11 PROGRAM DURING THE TAXABLE YEAR.

12 (C) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS
13 SECTION MAY NOT EXCEED THE LESSER OF:

14 (I) \$500; OR

15 (II) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR.

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

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
19 effect July 1, 2004, and shall be applicable to taxable years beginning after December
20 31, 2004.