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By: **Delegates Niemann and Menes**

Introduced and read first time: February 4, 2005

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Firearms Storage Containers**

3 FOR the purpose of providing for a certain credit against the State income tax for  
4 costs incurred by certain individuals or corporations for certain firearms storage  
5 containers; limiting a certain credit to a certain amount; prohibiting the unused  
6 amount of a certain credit from being carried over to any other taxable year;  
7 providing that a certain credit does not affect certain federal income tax  
8 deductions or exclusions; making this Act subject to a certain contingency;  
9 providing for the application of this Act; and generally relating to a certain  
10 credit against the State income tax for the costs of certain firearms storage  
11 containers.

12 BY adding to

13 Article - Tax - General

14 Section 10-725

15 Annotated Code of Maryland

16 (2004 Replacement Volume)

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

19 **Article - Tax - General**

20 10-725.

21 (A) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL OR  
22 CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN  
23 AMOUNT EQUAL TO 20% OF THE PURCHASE PRICE OF A FIREARMS STORAGE SAFE OR  
24 FIREARMS STORAGE VAULT PURCHASED DURING THE TAXABLE YEAR IF:

25 (1) THE INDIVIDUAL OR CORPORATION IS A LICENSED FIREARMS  
26 DEALER UNDER TITLE 5, SUBTITLE 1 OF THE PUBLIC SAFETY ARTICLE; AND

27 (2) THE SAFE OR VAULT MEETS THE REQUIREMENTS SPECIFIED UNDER  
28 § 5-109.1 OF THE PUBLIC SAFETY ARTICLE.

1 (B) (1) THE TOTAL AMOUNT OF THE CREDIT ALLOWED UNDER THIS  
2 SECTION FOR ANY TAXABLE YEAR MAY NOT EXCEED THE STATE INCOME TAX FOR  
3 THAT TAXABLE YEAR, CALCULATED BEFORE APPLICATION OF THE CREDIT UNDER  
4 THIS SECTION AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE, BUT AFTER  
5 APPLICATION OF THE OTHER CREDITS ALLOWABLE UNDER THIS SUBTITLE.

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

8 (C) THE CREDIT ALLOWED UNDER THIS SECTION DOES NOT AFFECT THE  
9 TREATMENT UNDER THIS TITLE OF ANY DEDUCTION OR EXCLUSION FOR FEDERAL  
10 INCOME TAX PURPOSES FOR EXPENSES ON WHICH THE CREDIT UNDER THIS  
11 SECTION IS BASED.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
13 effect October 1, 2005, and shall be applicable to all taxable years beginning after  
14 December 31, 2004, contingent on the taking effect of Chapter \_\_\_\_\_  
15 (S.B. \_\_\_\_\_ /H.B. \_\_\_\_\_) (5lr0554) of the Acts of the General Assembly of 2005, and if  
16 Chapter \_\_\_\_\_ does not become effective, this Act shall be null and void without the  
17 necessity of further action by the General Assembly.