

(PRE-FILED)

By: **Delegate Goodwin**
Requested: November 4, 2005
Introduced and read first time: January 11, 2006
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Homeland Security Expenses**

3 FOR the purpose of allowing certain business entities a certain credit against the
4 State income tax for certain expenses incurred for certain security devices and
5 certain security guard services under certain circumstances; limiting to a
6 certain amount the total amount of credits a business entity may claim in any
7 calendar year; providing that the credit may not exceed the State income tax for
8 that taxable year and that any unused credit may not be carried over to any
9 other taxable year; defining certain terms; providing for the application of this
10 Act; and generally relating to a tax credit against the State income tax for
11 certain expenses incurred for certain security devices and certain security guard
12 services.

13 BY adding to
14 Article - Tax - General
15 Section 10-726
16 Annotated Code of Maryland
17 (2004 Replacement Volume and 2005 Supplement)

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

20 **Article - Tax - General**

21 10-726.

22 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
23 INDICATED.

24 (2) (I) "BUSINESS ENTITY" MEANS:

25 1. A PERSON CONDUCTING OR OPERATING A TRADE OR
26 BUSINESS; OR

1 (C) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE
2 STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR.

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

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2006, and shall be applicable to all taxable years after December 31, 2005.