

HOUSE BILL 1334

Q3

71r3187

By: **Delegates Sossi, V. Clagett, Eckardt, Glassman, Glenn, Haddaway,
Holmes, Lawton, and Smigiel**

Introduced and read first time: February 28, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit – Visual Fire Alarm Systems**

3 FOR the purpose of providing for certain credits against the State income tax for
4 certain costs associated with the purchase and installation of certain visual
5 alarm systems in certain qualifying structures; defining certain terms;
6 specifying certain standards to qualify for the credit; providing for the
7 application of this Act; and generally relating to a tax credit against the State
8 income tax for certain visual alarm systems.

9 BY adding to

10 Article – Tax – General

11 Section 10–726

12 Annotated Code of Maryland

13 (2004 Replacement Volume and 2006 Supplement)

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

16 **Article – Tax – General**

17 **10–726.**

18 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE
19 MEANINGS INDICATED.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) (I) **“QUALIFYING STRUCTURE”** MEANS PROPERTY
2 CONTAINING DWELLING UNITS INTENDED TO BE LEASED TO PERSONS WHO
3 OCCUPY THE DWELLINGS AS THEIR RESIDENCES.

4 (II) **“QUALIFYING STRUCTURE”** DOES NOT INCLUDE A
5 SINGLE-FAMILY, OWNER-OCCUPIED STRUCTURE.

6 (3) (I) **“VISUAL ALARM SYSTEM”** MEANS AN ALARM SIGNAL
7 THAT IS PERMANENTLY CONNECTED TO THE WIRING OF THE ELECTRICAL
8 SYSTEM OF THE PREMISES AND INCLUDES:

9 1. A CLEAR OR NOMINAL WHITE XENON
10 STROBE-TYPE LAMP;

11 2. A MAXIMUM PULSE DURATION OF .2 SECONDS
12 WITH A MAXIMUM DUTY CYCLE OF 40%;

13 3. A MINIMUM INTENSITY OF 75 CANDELA;

14 4. A FLASH RATE BETWEEN 1 HZ AND 3 HZ;

15 5. A LOW OR DUAL FREQUENCY ALERTING SYSTEM;
16 AND

17 6. VIBROTACTILE ALTERING SYSTEM.

18 (II) **“VISUAL ALARM SYSTEM”** DOES NOT INCLUDE A
19 PORTABLE SMOKE DETECTOR.

20 (B) (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN
21 INDIVIDUAL OR CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE
22 INCOME TAX IN AN AMOUNT EQUAL TO 50% OF THE COST ASSOCIATED WITH THE
23 INSTALLATION OF A VISUAL ALARM SYSTEM IN A QUALIFYING STRUCTURE.

24 (2) FOR ANY TAXABLE YEAR THE CREDIT ALLOWED UNDER THIS
25 SECTION MAY NOT EXCEED \$5,000 OR THE STATE INCOME TAX IMPOSED FOR
26 THE TAXABLE YEAR.

1 **(3) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED**
2 **FORWARD TO ANY OTHER TAXABLE YEAR.**

3 **(C) TO QUALIFY FOR THE TAX CREDIT UNDER THIS SECTION:**

4 **(1) EACH VISUAL ALARM SYSTEM SIGNAL SHALL BE PLACED A**
5 **MINIMUM OF 80 INCHES ABOVE THE HIGHEST FLOOR LEVEL WITHIN THE UNIT**
6 **OR 6 INCHES BELOW THE CEILING; AND**

7 **(2) EACH COMMON CORRIDOR OR HALLWAY SHALL CONTAIN A**
8 **VISUAL ALARM SYSTEM SIGNAL.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2007, and shall be applicable to all taxable years beginning after December 31,
11 2006.