

SENATE BILL 852

Q3
SB 272/06 – B&T

7lr2516

By: **Senators Hooper, Colburn, Gladden, Harris, Jacobs, and Klausmeier**
Introduced and read first time: February 19, 2007
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Motorized Shopping Carts**

3 FOR the purpose of providing for certain credits against the State income tax for the
4 purchase of certain motorized shopping carts under certain conditions;
5 providing for certain limitations on the amount of the credit and the number of
6 credits that may be claimed for each business location during the taxable year;
7 providing that the credit may not exceed the lesser of a certain amount or the
8 State income tax for that taxable year and that any unused credit may be
9 carried over to another taxable year with certain limitations; defining certain
10 terms; providing for the application and termination of this Act; and generally
11 relating to a credit against the State income tax for the purchase of certain
12 motorized shopping carts.

13 BY adding to
14 Article – Tax – General
15 Section 10–726
16 Annotated Code of Maryland
17 (2004 Replacement Volume and 2006 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.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (A) IN THIS SECTION, "MOTORIZED SHOPPING CART" MEANS A
2 MOTORIZED CART DESIGNED FOR USE BY INDIVIDUALS WITH DISABILITIES FOR
3 THE PURPOSE OF ASSISTING WITH SHOPPING IN A PUBLIC RETAIL
4 ESTABLISHMENT.

5 (B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL
6 OR CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR
7 THE PURCHASE OF A MOTORIZED SHOPPING CART.

8 (C) THE CREDIT ALLOWED UNDER THIS SECTION:

9 (1) IS ONLY APPLICABLE IF THE MOTORIZED SHOPPING CART IS
10 PURCHASED BY AN INDIVIDUAL OR CORPORATION FOR USE BY INDIVIDUALS
11 WITH DISABILITIES IN THE PLACE OF BUSINESS OF THE INDIVIDUAL OR
12 CORPORATION; AND

13 (2) MAY ONLY BE CLAIMED BY AN INDIVIDUAL OR CORPORATION
14 FOR THE PURCHASE OF UP TO TWO MOTORIZED SHOPPING CARTS FOR EACH
15 BUSINESS LOCATION OF THE INDIVIDUAL OR CORPORATION DURING THE
16 TAXABLE YEAR.

17 (D) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS
18 SECTION MAY NOT EXCEED THE LESSER OF:

19 (I) \$1,000; OR

20 (II) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE
21 YEAR, CALCULATED BEFORE THE APPLICATION OF CREDITS ALLOWED UNDER
22 THIS SECTION AND UNDER §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT
23 AFTER THE APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS
24 SUBTITLE.

25 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE
26 STATE INCOME TAX FOR THAT TAXABLE YEAR, THE INDIVIDUAL OR
27 CORPORATION MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE
28 INCOME TAX FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

29 (I) THE FULL AMOUNT OF THE EXCESS IS USED; OR

1 **(II) THE EXPIRATION OF THE 5TH TAXABLE YEAR AFTER**
2 **THE TAXABLE YEAR IN WHICH THE PURCHASE OF THE MOTORIZED SHOPPING**
3 **CART OCCURRED.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2007, and shall be applicable to all taxable years beginning after December 31,
6 2006, but before January 1, 2011; and provided that excess credits may be carried
7 forward and, subject to the limitation of § 10-726 of the Tax – General Article, as
8 enacted by Section 1 of this Act, may be applied as a credit for taxable years beginning
9 on or after January 1, 2007. This Act shall remain effective for a period of 3 years and
10 6 months and, at the end of December 31, 2010, with no further action required by the
11 General Assembly, this Act shall be abrogated and of no further force and effect.