

HOUSE BILL 1064

Q3

9lr0739

By: **Delegates Ramirez, Conaway, Hecht, Howard, James, Manno, McDonough, Robinson, Ross, and Waldstreicher**

Introduced and read first time: February 13, 2009

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Donations for Classroom Libraries**
3 **in Public Elementary Schools**

4 FOR the purpose of providing a subtraction modification under the Maryland income
5 tax for donations made by a business entity to a public elementary school for the
6 establishment or continued operation of a classroom library in a certain
7 manner; defining certain terms; providing for the application of this Act; and
8 generally relating to an income tax subtraction modification for certain
9 donations made by a business entity to a public elementary school.

10 BY repealing and reenacting, without amendments,
11 Article – Tax – General
12 Section 10–208(a) and 10–308(a)
13 Annotated Code of Maryland
14 (2004 Replacement Volume and 2008 Supplement)

15 BY adding to
16 Article – Tax – General
17 Section 10–208(q)
18 Annotated Code of Maryland
19 (2004 Replacement Volume and 2008 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Tax – General
22 Section 10–308(b)
23 Annotated Code of Maryland
24 (2004 Replacement Volume and 2008 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Tax – General

10–208.

(a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(Q) (1) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(I) “COUNTY BOARD” HAS THE MEANING STATED IN § 1–101 OF THE EDUCATION ARTICLE.

(II) “PUBLIC ELEMENTARY SCHOOL” MEANS A SCHOOL IN THE PUBLIC ELEMENTARY EDUCATION SYSTEM OF THIS STATE.

(2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES AN AMOUNT EQUAL TO 150% OF A MONETARY CONTRIBUTION MADE BY A BUSINESS ENTITY DURING THE TAXABLE YEAR TO A PUBLIC ELEMENTARY SCHOOL FOR THE ESTABLISHMENT OR CONTINUED OPERATION OF A CLASSROOM LIBRARY IN ACCORDANCE WITH THE POLICIES, PROCEDURES, OR GUIDELINES OF A COUNTY BOARD OR ITS DESIGNEE.

(3) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED \$10,000.

10–308.

(a) In addition to the modification under § 10–307 of this subtitle, the amounts under this section are subtracted from the federal taxable income of a corporation to determine Maryland modified income.

(b) The subtraction under subsection (a) of this section includes the amounts allowed to be subtracted for an individual under:

- (1) § 10–208(d) of this title (Conservation tillage equipment expenses);
- (2) § 10–208(i) of this title (Reforestation or timber stand expenses);
- (3) § 10–208(k) of this title (Wage expenses for targeted jobs);
- (4) § 10–208(m) of this title (Poultry or livestock manure spreading equipment); [and]

1 (5) § 10-208(p) of this title (Elevator handrails in health care
2 facilities); **AND**

3 **(6) § 10-208(q) OF THIS TITLE (DONATIONS FOR CLASSROOM**
4 **LIBRARIES IN PUBLIC ELEMENTARY SCHOOLS).**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2009, and shall be applicable to all taxable years beginning after December 31,
7 2008.