

SENATE BILL 969

Q3

9lr3057

By: **Senator Colburn**

Introduced and read first time: February 23, 2009

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Subtraction Modification - Charitable Donations - Partial**
3 **Interests in Property**

4 FOR the purpose of allowing an individual or corporation a subtraction modification
5 under the Maryland income tax equal to the fair market value of an in-kind
6 donation of certain rental space to certain nonprofit organizations if the
7 donation is not allowed a deduction under the federal income tax; providing for
8 the application of this Act; and generally relating to a subtraction under the
9 Maryland income tax for certain donations of rental space.

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.



1 **Article – Tax – General**

2 10–208.

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

6 **(q) (1) IN THIS SUBSECTION, “ELIGIBLE DONATION” MEANS AN**
7 **IN-KIND DONATION OF RENTAL SPACE:**

8 **(i) TO AN ORGANIZATION EXEMPT FROM TAXATION UNDER**
9 **§ 501(C)(3) OF THE INTERNAL REVENUE CODE; AND**

10 **(ii) THAT IS A PARTIAL INTEREST TO WHICH § 170(F)(3)(A)**
11 **OF THE INTERNAL REVENUE CODE APPLIES.**

12 **(2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION**
13 **INCLUDES AN AMOUNT EQUAL TO THE FAIR MARKET VALUE OF AN ELIGIBLE**
14 **DONATION IF THE ELIGIBLE DONATION IS NOT ALLOWED AS A DEDUCTION**
15 **UNDER § 170 OF THE INTERNAL REVENUE CODE.**

16 10–308.

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

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

22 (1) § 10–208(d) of this title (Conservation tillage equipment expenses);

23 (2) § 10–208(i) of this title (Reforestation or timber stand expenses);

24 (3) § 10–208(k) of this title (Wage expenses for targeted jobs);

25 (4) § 10–208(m) of this title (Poultry or livestock manure spreading
26 equipment); [and]

27 (5) § 10–208(p) of this title (Elevator handrails in health care
28 facilities); **AND**

29 **(6) § 10–208(q) OF THIS TITLE (DONATION OF RENTAL SPACE TO**
30 **AN EXEMPT ORGANIZATION).**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2009, and shall be applicable to all taxable years beginning after December 31,
3 2008.