

HOUSE BILL 1155

Q3

2lr3172
CF SB 807

By: **Delegates Frick, Carr, Hixson, Hucker, A. Kelly, Lee, Mizeur, and Waldstreicher**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: April 2, 2012

CHAPTER _____

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Land Acquisition for**
3 **~~Transportation-Related Projects~~ Department of Transportation**

4 FOR the purpose of allowing a subtraction modification under the Maryland income
5 tax for the amount of a gain resulting from a payment by the ~~State Highway~~
6 ~~Administration~~ Maryland Department of Transportation for the acquisition of a
7 portion of an individual's property ~~for use in certain transportation projects on~~
8 which the individual's principal residence is located; limiting the subtraction to
9 a certain amount; providing for the application of this Act; and generally
10 relating to an income tax subtraction modification for gain resulting from
11 certain payments by the ~~State Highway Administration~~ Maryland Department
12 of Transportation.

13 BY repealing and reenacting, without amendments,
14 Article – Tax – General
15 Section 10–207(a)
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2011 Supplement)

18 BY adding to
19 Article – Tax – General
20 Section 10–207(y)
21 Annotated Code of Maryland
22 (2010 Replacement Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Tax – General**

4 10–207.

5 (a) To the extent included in federal adjusted gross income, the amounts
6 under this section are subtracted from the federal adjusted gross income of a resident
7 to determine Maryland adjusted gross income.

8 (Y) **(1) ~~THE~~ IN THIS SUBSECTION, “PRINCIPAL RESIDENCE” HAS THE**
9 **MEANING STATED IN § 121 OF THE INTERNAL REVENUE CODE.**

10 **(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**
11 **SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE**
12 **AMOUNT OF A GAIN RESULTING FROM A PAYMENT FROM THE ~~STATE HIGHWAY~~**
13 **~~ADMINISTRATION~~ MARYLAND DEPARTMENT OF TRANSPORTATION TO AN**
14 **INDIVIDUAL FOR THE ACQUISITION OF A PORTION OF THE INDIVIDUAL’S**
15 **PROPERTY ~~FOR USE IN A TRANSPORTATION RELATED PROJECT~~ ON WHICH THE**
16 **INDIVIDUAL’S PRINCIPAL RESIDENCE IS LOCATED.**

17 **(3) THE AMOUNT SUBTRACTED UNDER THIS SUBSECTION MAY**
18 **NOT EXCEED THE AMOUNT THAT MAY BE EXCLUDED FROM INCOME ON THE**
19 **CONDEMNATION OF AN INDIVIDUAL’S PRINCIPAL RESIDENCE UNDER § 121 OF**
20 **THE INTERNAL REVENUE CODE.**

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 July 1, 2012, and shall be applicable to all taxable years beginning after December 31,
23 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.