

SENATE BILL 317

Q3, M3

4lr0435

By: **Senator Simonaire**

Introduced and read first time: January 17, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Stormwater Remediation Fee**
3 **(Rain Tax)**

4 FOR the purpose of providing a subtraction modification under the Maryland
5 individual and corporate income tax for the expense of certain stormwater
6 remediation fees; providing that the subtraction does not apply to stormwater
7 remediation fees that are deductible from federal adjusted gross income;
8 providing for the application of this Act; and generally relating to a subtraction
9 modification for certain stormwater remediation fees.

10 BY repealing and reenacting, without amendments,

11 Article – Environment
12 Section 4–202.1(e)
13 Annotated Code of Maryland
14 (2013 Replacement Volume)

15 BY repealing and reenacting, without amendments,

16 Article – Tax – General
17 Section 10–208(a)
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2013 Supplement)

20 BY adding to

21 Article – Tax – General
22 Section 10–208(u)
23 Annotated Code of Maryland
24 (2010 Replacement Volume and 2013 Supplement)

25 BY repealing and reenacting, with amendments,

26 Article – Tax – General
27 Section 10–308(b)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2010 Replacement Volume and 2013 Supplement)

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

5 **Article – Environment**

6 4–202.1.

7 (e) (1) Except as provided in paragraph (2) of this subsection and
8 subsection (f) of this section, a county or municipality shall establish and annually
9 collect a stormwater remediation fee from owners of property located within the
10 county or municipality in accordance with this section.

11 (2) Property owned by the State, a unit of State government, a county,
12 a municipality, or a regularly organized volunteer fire department that is used for
13 public purposes may not be charged a stormwater remediation fee under this section.

14 (3) (i) A county or municipality shall set a stormwater remediation
15 fee for property in an amount that is based on the share of stormwater management
16 services related to the property and provided by the county or municipality.

17 (ii) A county or municipality may set a stormwater remediation
18 fee under this paragraph based on:

19 1. A flat rate;

20 2. An amount that is graduated, based on the amount of
21 impervious surface on each property; or

22 3. Another method of calculation selected by the county
23 or municipality.

24 (4) A stormwater remediation fee established under this section is
25 separate from any charges that a county or municipality establishes related to
26 stormwater management for new developments under § 4–204 of this subtitle,
27 including fees for permitting, review of stormwater management plans, inspections, or
28 monitoring.

29 **Article – Tax – General**

30 10–208.

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

1 **(U) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
2 **SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE**
3 **EXPENSE OF ANY STORMWATER REMEDIATION FEE ESTABLISHED UNDER**
4 **§ 4-202.1(E) OF THE ENVIRONMENT ARTICLE.**

5 **(2) THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS**
6 **SUBSECTION MAY NOT INCLUDE THE AMOUNT OF ANY STORMWATER**
7 **REMEDICATION FEE THAT IS DEDUCTIBLE FROM FEDERAL ADJUSTED GROSS**
8 **INCOME.**

9 10-308.

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

12 (1) § 10-208(d) of this title (Enhanced agricultural management
13 equipment expenses);

14 (2) § 10-208(i) of this title (Reforestation or timber stand expenses);

15 (3) § 10-208(k) of this title (Wage expenses for targeted jobs); [and]

16 (4) § 10-208(p) of this title (Elevator handrails in health care
17 facilities); AND

18 **(5) § 10-208(U) OF THIS TITLE (STORMWATER REMEDIATION**
19 **FEE).**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2014, and shall be applicable to all taxable years beginning after December 31,
22 2013.