

HOUSE BILL 1317

Q3
HB 1235/17 – W&M

8lr0408
CF 8lr3583

By: **Delegates Long and Miele**

Introduced and read first time: February 9, 2018

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Qualified Maryland Toll Expenses**

3 FOR the purpose of allowing a subtraction modification under the Maryland income tax for
4 certain amounts paid in a certain manner by taxpayers for certain toll expenses;
5 requiring a taxpayer to submit certain documentation to qualify for the subtraction
6 modification; defining certain terms; providing for the application of this Act; and
7 generally relating to a Maryland income tax subtraction modification for certain
8 amounts paid in a certain manner for certain tolls.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–208(a)
12 Annotated Code of Maryland
13 (2016 Replacement Volume and 2017 Supplement)

14 BY adding to
15 Article – Tax – General
16 Section 10–208(w)
17 Annotated Code of Maryland
18 (2016 Replacement Volume and 2017 Supplement)

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

21 **Article – Tax – General**

22 10–208.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(W) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE**
2 **MEANINGS INDICATED.**

3 **(II) “NONREFUNDABLE TRANSPONDER DEPOSIT” MEANS ANY**
4 **AMOUNT PAID FOR AN E-ZPASS MARYLAND TRANSPONDER THAT IS NOT MADE**
5 **AVAILABLE AS A PREPAID TOLL BALANCE.**

6 **(III) “QUALIFIED TOLL EXPENSES” MEANS ANY PAYMENT MADE**
7 **DURING THE TAXABLE YEAR FOR AMOUNTS EXPENDED BY A TAXPAYER FOR TOLLS**
8 **PAID ELECTRONICALLY THROUGH THE USE OF THE E-ZPASS MARYLAND PROGRAM**
9 **AS AUTHORIZED BY THE MARYLAND TRANSPORTATION AUTHORITY FOR**
10 **NONCOMMERCIAL TRAVEL OR TWO-AXLE COMMERCIAL TRAVEL ON TOLL ROADS,**
11 **BRIDGES, AND TUNNELS IN THE STATE.**

12 **(2) SUBJECT TO PARAGRAPHS (3) THROUGH (6) OF THIS**
13 **SUBSECTION, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION**
14 **INCLUDES THE QUALIFIED TOLL EXPENSES INCURRED BY A TAXPAYER DURING THE**
15 **TAXABLE YEAR.**

16 **(3) THE SUBTRACTION UNDER THIS SUBSECTION DOES NOT APPLY**
17 **UNLESS THE AMOUNT OF QUALIFIED TOLL EXPENSES INCURRED BY THE TAXPAYER**
18 **DURING THE TAXABLE YEAR EQUALS OR EXCEEDS \$300.**

19 **(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**
20 **TOTAL AMOUNT OF QUALIFIED TOLL EXPENSES SUBTRACTED FOR A TAXABLE YEAR**
21 **MAY NOT EXCEED:**

22 **1. \$1,000 FOR SPOUSES FILING A JOINT RETURN; AND**

23 **2. \$500 FOR ALL OTHER TAXPAYERS.**

24 **(II) THE AMOUNT DISALLOWED AS A SUBTRACTION UNDER THIS**
25 **SUBSECTION FOR ANY TAXABLE YEAR AS A RESULT OF THE LIMITATION UNDER THIS**
26 **PARAGRAPH MAY BE CARRIED OVER UNTIL USED TO THE NEXT 3 SUCCEEDING**
27 **TAXABLE YEARS AS A SUBTRACTION.**

28 **(5) THE SUBTRACTION ALLOWED UNDER THIS SUBSECTION MAY NOT**
29 **INCLUDE:**

30 **(I) ANY AMOUNT FOR WHICH THE TAXPAYER IS ELIGIBLE FOR A**
31 **DEDUCTION UNDER THE INTERNAL REVENUE CODE;**

1 **(II) ANY AMOUNT PAID AS A NONREFUNDABLE TRANSPONDER**
2 **DEPOSIT; OR**

3 **(III) ANY AMOUNT REIMBURSED BY AN EMPLOYER.**

4 **(6) TO QUALIFY FOR THE SUBTRACTION MODIFICATION PROVIDED**
5 **UNDER THIS SUBSECTION, A TAXPAYER MUST ATTACH TO THE TAXPAYER'S INCOME**
6 **TAX RETURN OR OTHERWISE FILE WITH THE COMPTROLLER PROOF OF THE AMOUNT**
7 **OF TOLL CHARGES PAID BY THE TAXPAYER DURING THE TAXABLE YEAR.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.