

SENATE BILL 324

Q3

3lr2049
CF 3lr1322

By: **Senator Rosapepe**

Introduced and read first time: January 27, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Student Bus Transportation Expenses**

3 FOR the purpose of providing a refundable credit against the State income tax for certain
4 student bus transportation expenses paid by a certain individual during the taxable
5 year; and generally relating to an income tax credit for student transportation
6 expenses.

7 BY adding to

8 Article – Tax – General

9 Section 10–757

10 Annotated Code of Maryland

11 (2022 Replacement Volume)

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

14 **Article – Tax – General**

15 **10–757.**

16 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 (2) “QUALIFIED BUS TRANSPORTATION EXPENSES” MEANS
19 EXPENSES PAID TO A SCHOOL OR SCHOOL SYSTEM FOR THE DAILY BUS
20 TRANSPORTATION OF A SCHOOL STUDENT TO OR FROM A SCHOOL.

21 (3) “SCHOOL” MEANS A PUBLIC OR NONPUBLIC ELEMENTARY OR
22 SECONDARY SCHOOL IN THE STATE THAT PARTICIPATES IN THE NONPUBLIC
23 SCHOOLS TEXTBOOK AND TECHNOLOGY GRANTS PROGRAM.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) (1) AN INDIVIDUAL RESIDENT WHO IS THE PARENT OR GUARDIAN OF**
2 **A SCHOOL STUDENT MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN**
3 **AMOUNT EQUAL TO THE QUALIFIED BUS TRANSPORTATION EXPENSES PAID OR**
4 **INCURRED BY THE RESIDENT DURING THE TAXABLE YEAR ON BEHALF OF THE**
5 **SCHOOL STUDENT.**

6 **(2) THE TAX CREDIT UNDER THIS SECTION MAY NOT EXCEED \$1,500**
7 **PER SCHOOL STUDENT.**

8 **(C) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR**
9 **EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, THE RESIDENT MAY**
10 **CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
12 1, 2023, and shall be applicable to all taxable years beginning after December 31, 2022.