

**HB0131/963223/1**

BY: Delegate Kach

AMENDMENTS TO HOUSE BILL 131  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in lines 14 and 15, strike “certain enforcement and penalty provisions” and substitute “certain provisions of this Act; providing a subtraction modification under the Maryland income tax for certain costs of purchasing certain automobiles”; and after line 23, insert:

“BY repealing and reenacting, without amendments,  
Article – Tax – General  
Section 10–208(a) and 10–308(a)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2006 Supplement)

BY adding to  
Article – Tax – General  
Section 10–208(q)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,  
Article – Tax – General  
Section 10–308(b)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2006 Supplement)”.

AMENDMENT NO. 2

On page 5, before line 3, insert:

(Over)

“Article – Tax – General

10–208.

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

**(Q) (1) IN THIS SUBSECTION, “AUTOMOBILE”, “AVERAGE FUEL ECONOMY STANDARD”, “FUEL ECONOMY”, “MODEL”, AND “MODEL YEAR” HAVE THE MEANINGS STATED IN 49 U.S.C. § 32901.**

**(2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT DETERMINED UNDER PARAGRAPH (3) OF THIS SUBSECTION FOR THE PURCHASE OF A NEW AUTOMOBILE HAVING A FUEL ECONOMY THAT EXCEEDS THE AVERAGE FUEL ECONOMY STANDARD APPLICABLE TO THAT MODEL OF AUTOMOBILE BY AT LEAST:**

**(I) 25% FOR MODEL YEARS BEFORE 2011; AND**

**(II) 30% FOR MODEL YEARS 2011 AND THEREAFTER.**

**(3) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, THE SUBTRACTION ALLOWED UNDER THIS SUBSECTION SHALL BE ALLOWED OVER A 3-YEAR PERIOD BEGINNING WITH THE TAXABLE YEAR IN WHICH THE AUTOMOBILE IS PURCHASED AS FOLLOWS:**

**1. \$2,000 EACH YEAR FOR MODEL YEARS BEFORE 2011; AND**

**2. \$3,000 EACH YEAR FOR MODEL YEARS 2011 AND THEREAFTER.**

**(II) THE TOTAL AMOUNT ALLOWED AS A SUBTRACTION UNDER THIS SUBSECTION MAY NOT EXCEED THE AMOUNT PAID OR INCURRED TO PURCHASE THE AUTOMOBILE.**

**(III) THE SUBTRACTION UNDER THIS SUBSECTION:**

**1. IS ALLOWED ONLY FOR AN AUTOMOBILE THAT IS TITLED AND REGISTERED IN THE STATE; AND**

**2. MAY NOT BE ALLOWED FOR ANY TAXABLE YEAR UNLESS THE PERSON CLAIMING THE SUBTRACTION CONTINUES TO OWN THE AUTOMOBILE DURING THAT TAXABLE YEAR.**

**(4) FOR EACH MODEL YEAR, THE MOTOR VEHICLE ADMINISTRATION SHALL PUBLISH A LIST OF THE MODELS OF AUTOMOBILES THAT SATISFY THE REQUIREMENTS FOR THE SUBTRACTION MODIFICATION UNDER THIS SUBSECTION.**

10-308.

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

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

- (1) § 10-208(d) of this title (Conservation tillage equipment expenses);
- (2) § 10-208(i) of this title (Reforestation or timber stand expenses);
- (3) § 10-208(k) of this title (Wage expenses for targeted jobs);
- (4) § 10-208(m) of this title (Poultry or livestock manure spreading equipment); [and]

(Over)

(5) § 10-208(p) of this title (Elevator handrails in health care facilities); AND

(6) § 10-208(q) OF THIS TITLE (PURCHASE OF FUEL EFFICIENT AUTOMOBILES).”.

AMENDMENT NO. 3

On page 6, in line 28, after “2007.” insert “The subtraction modification under § 10-208(q) of the Tax – General Article as enacted by Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 2007.”.