

SENATE BILL 419

Q3

11r1452
CF 11r1512

By: **Senators DeGrange, Brinkley, Colburn, Currie, Edwards, Jones–Rodwell, Middleton, and Robey**
Introduced and read first time: February 4, 2011
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Heavy–Duty Diesel Vehicles – Credit for Idle Reduction Devices**

3 FOR the purpose of allowing an individual or corporation a credit against the State
4 income tax in a certain amount for certain costs incurred for the purchase and
5 installation of a qualifying idling reduction device in certain vehicles; limiting
6 the amount of the credit that may be claimed for any taxable year; providing for
7 the carryover of unused credit if the credit otherwise allowed exceeds the State
8 income tax otherwise payable for a taxable year; providing that a credit may not
9 be claimed for the purchase and installation of a qualifying idling reduction
10 device after a certain date; defining certain terms; providing for the application
11 of this Act; and generally relating to a credit against the State income tax in a
12 certain amount for certain costs related to the purchase and installation of idle
13 reduction devices.

14 BY adding to
15 Article – Tax – General
16 Section 10–729
17 Annotated Code of Maryland
18 (2010 Replacement Volume)

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

21 **Article – Tax – General**

22 **10–729.**

23 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
24 **MEANINGS INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 **(2) “HEAVY-DUTY DIESEL-POWERED ON-HIGHWAY VEHICLE”**
2 **MEANS A MACHINE, TRACTOR, TRAILER, SEMI-TRAILER, OR OTHER VEHICLE**
3 **DRAWN OR PROPELLED BY MECHANICAL POWER AND USED ON THE HIGHWAY TO**
4 **TRANSPORT PASSENGERS OR PROPERTY.**

5 **(3) “QUALIFYING IDLING REDUCTION DEVICE” MEANS A DEVICE**
6 **OR SYSTEM OF DEVICES:**

7 **(I) THAT IS PURCHASED IN THE STATE;**

8 **(II) THAT IS INSTALLED ON A HEAVY-DUTY**
9 **DIESEL-POWERED ON-HIGHWAY VEHICLE;**

10 **(III) THAT IS DESIGNED TO PROVIDE TO A VEHICLE THAT IS**
11 **TEMPORARILY PARKED OR STATIONARY SERVICES THAT WOULD OTHERWISE**
12 **REQUIRE THE OPERATION OF THE MAIN DRIVE ENGINE, INCLUDING:**

13 1. **AIR CONDITIONING;**

14 2. **ELECTRICITY; OR**

15 3. **HEAT;**

16 **(IV) THE ORIGINAL USE OF WHICH COMMENCES WITH THE**
17 **TAXPAYER;**

18 **(V) THAT IS ACQUIRED FOR USE BY THE TAXPAYER AND NOT**
19 **FOR RESALE; AND**

20 **(VI) THAT IS CERTIFIED BY THE U.S. ENVIRONMENTAL**
21 **PROTECTION AGENCY TO REDUCE LONG-DURATION IDLING OF A VEHICLE IF**
22 **THE VEHICLE IS TEMPORARILY PARKED OR REMAINS STATIONARY.**

23 **(B) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, AN**
24 **INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE**
25 **INCOME TAX FOR EACH QUALIFYING IDLING REDUCTION DEVICE PURCHASED**
26 **AND INSTALLED IN THE INDIVIDUAL’S OR CORPORATION’S HEAVY-DUTY**
27 **DIESEL-POWERED ON-HIGHWAY VEHICLE.**

28 **(2) FOR EACH QUALIFYING IDLING REDUCTION DEVICE**
29 **PURCHASED AND INSTALLED, THE CREDIT UNDER PARAGRAPH (1) OF THIS**
30 **SUBSECTION MAY NOT EXCEED THE LESSER OF:**

1 (I) 50% OF THE COST OF PURCHASE AND INSTALLATION;
2 OR

3 (II) \$3,500.

4 (C) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT
5 EXCEED THE STATE INCOME TAX FOR THE TAXABLE YEAR.

6 (2) IF THE CREDIT OTHERWISE ALLOWABLE UNDER SUBSECTION
7 (B) OF THIS SECTION EXCEEDS THE LIMIT UNDER PARAGRAPH (1) OF THIS
8 SUBSECTION, AN INDIVIDUAL OR A CORPORATION MAY APPLY THE EXCESS AS A
9 CREDIT AGAINST THE STATE INCOME TAX FOR SUCCEEDING TAXABLE YEARS
10 UNTIL THE FULL AMOUNT OF THE EXCESS IS USED.

11 (D) AN INDIVIDUAL OR A CORPORATION MAY NOT CLAIM A CREDIT
12 UNDER THIS SECTION FOR A QUALIFYING IDLING REDUCTION DEVICE
13 PURCHASED AND INSTALLED AFTER DECEMBER 31, 2013.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2011, and shall be applicable to all taxable years beginning after December 31,
16 2010.