

MARYLAND
Tax Expenditures Report
Fiscal Year 2014

Presented to the Governor and General Assembly
by the Department of Budget and Management
February 2013

Martin O'Malley, Governor
Anthony G. Brown, Lieutenant Governor
T. Eloise Foster, Secretary

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MARYLAND
DEPARTMENT OF
BUDGET & MANAGEMENT

MARTIN O'MALLEY
Governor

ANTHONY BROWN
Lieutenant Governor

T. ELOISE FOSTER
Secretary

DAVID C. ROMANS
Deputy Secretary

February 8, 2013

The Honorable Martin O'Malley, Governor
The Honorable Thomas V. Mike Miller, Jr., President of the Senate
The Honorable Michael E. Busch, Speaker of the House of Delegates
The Honorable Members of the General Assembly

Ladies and Gentlemen:

Section 7-118 of the State Finance and Procurement Article requires the Department of Budget and Management to prepare on a biennial basis a statement of the estimated amount by which exemptions from taxation reduce State revenues and revenues collected by local governments. These foregone revenues are often called "tax expenditures" since the same benefits could be distributed using budgeted expenditures instead of a tax provision. This report, which covers fiscal years 2011 – 2014, is intended to assist the Governor and General Assembly in their respective reviews of the advantages and drawbacks of the tax expenditures.

I wish to acknowledge L. Daniel Muldoon and Jennifer Bradford in the Office of Budget Analysis and the individuals in the various tax-collecting agencies that contributed data and estimates for this report. Without their hard work and careful analysis, this report would not be possible.

Sincerely,



Marc Nicole
Director
Office of Budget Analysis

cc: Secretary T. Eloise Foster

MSAR #132

~Effective Resource Management~

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**Statistical Summary
Tax Expenditures by Function
(millions of dollars)**

	FY 11	FY 12	FY 13	FY 14
I. Structural Tax Expenditures				
Income Tax Personal Exemption	620.6	626.8	581.4	603.8
Income Tax Standard Deduction	122.7	126.1	128.6	131.2
Total - Structural Tax Expenditures	743.3	752.8	709.9	734.9
II. Categorical Tax Expenditures				
Agriculture	165.7	184.6	194.6	200.6
Business	239.9	263.0	266.4	294.1
Charity	294.9	305.2	311.7	317.3
Education	60.7	64.0	66.8	68.2
Elderly	312.5	322.4	325.9	329.4
Employment-related	143.9	148.3	157.6	165.2
Environment	9.8	14.7	15.8	17.0
Families	1,181.7	1,199.5	1,198.3	1,221.3
Fire and Rescue	4.2	4.4	4.4	4.5
Handicapped and Disabled	0.4	0.4	0.3	0.3
Housing	744.7	759.1	776.6	791.4
Interstate Commerce	16.6	16.5	16.6	17.0
Medical and Health	591.7	606.4	617.3	639.7
Poverty	234.0	238.2	237.6	246.4
Religious	37.2	38.9	40.6	42.0
Veterans and Military	8.1	9.0	11.2	14.2
Volunteer and Nonprofit	6.7	6.9	7.1	7.5
Miscellaneous	352.4	384.6	413.8	432.8
Total - Categorical Tax Expenditures	4,405.2	4,566.3	4,662.5	4,809.1
III. Incidental Tax Expenditures				
Administrative	56.7	57.3	57.9	58.7
Double Taxation	1,736.9	1,856.7	1,895.9	1,982.2
Reciprocal Exemptions	43.9	44.2	44.5	45.0
Fuel for Non-transportation Uses	2.2	2.2	2.2	2.2
Governments	468.3	493.7	508.0	523.4
Total - Incidental Tax Expenditures	2,308.0	2,454.2	2,508.5	2,611.5
Total - All Tax Expenditures	7,456.5	7,773.3	7,880.9	8,155.5

Note: Totals may not add due to rounding.

Statistical Summary
Categorical Tax Expenditures by Tax
(millions of dollars)*

	FY 11	FY 12	FY 13	FY 14
I. Individual Income Tax				
Itemized Deductions	1,131.6	1,167.6	1,201.6	1,228.2
Subtractions	371.8	383.9	390.2	396.7
Credits	272.5	277.3	277.5	301.6
Elderly and Blind Exemptions	17.7	18.0	18.2	18.3
Total - Individual Income Tax	1,793.7	1,846.8	1,887.4	1,944.9
II. Other Taxes				
Sales & Use Tax	1,945.0	2,026.1	2,051.5	2,098.3
Insurance Premiums Tax	204.9	206.2	217.8	224.2
Corporation Income Tax**	160.5	183.2	197.6	221.1
State Property Tax	138.3	119.4	116.4	117.0
Motor Vehicle Titling Tax**	98.4	116.6	122.6	126.6
Inheritance Taxes	44.6	47.6	47.4	51.7
Property Transfer Tax	9.1	9.3	10.6	12.6
Public Service Company Franchise Tax	6.3	6.3	6.3	7.8
Motor Vehicle Registration Fees**	2.4	2.4	2.4	2.4
Motor Vehicle Fuel Tax**	1.0	1.0	1.0	1.0
Boat Titling Tax	0.8	1.3	1.4	1.5
Alcoholic Beverage Taxes	0.1	0.1	0.1	0.1
Tobacco Tax		No reliable estimate		
Total - Other Taxes	2,611.4	2,719.5	2,775.1	2,864.2
Total - Categorical Tax Expenditures*	4,405.2	4,566.3	4,662.5	4,809.1

* Excludes structural tax expenditures (income tax regular personal exemptions and standard deduction) and incidental tax expenditures (for example, exemptions for governments). Sales, corporate, and titling tax items are adjusted to reflect new tax legislation affecting FY 2011 - 2013.

** Local governments bear a portion of this foregone revenue.

Note: Totals may not add due to rounding.

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Maryland's Tax Expenditure Reporting Law

Section 7-118 of the State Finance and Procurement Article requires the Department of Budget and Management (DBM) to prepare in every other year a statement of the estimated amount by which exemptions from taxation reduce revenues. This requirement is the basis of Maryland's tax expenditure report.

Classes of Tax Expenditures

For purposes of analysis, the report divides tax expenditures into three classes.

“Structural” Tax Expenditures

There are some items that are so inextricably a part of a tax structure that it is not reasonable to consider repealing them without other major adjustments in the tax law. The regular personal exemptions and the standard deduction of the personal income tax are in this class. Structural tax expenditures are also distinct from categorical tax expenditures (see next section) in that they are generally available to all rather than to selected groups of taxpayers.

“Categorical” Tax Expenditures

Most tax expenditures are classified as “categorical” expenditures. These are fairly narrow provisions that have an easily defined range of beneficiaries and a more or less discernable policy goal. In this report, these tax expenditures will be reported in two groupings. First, they will be grouped according to their primary beneficiary or purpose. Second, they will be reported again in order by tax.

“Incidental” Tax Expenditures

Some tax provisions are in the code to solve administrative problems or to avoid double-taxation. If the expenditure exists to avoid excessive administrative burdens, it is likely that repeal of the provision would add more to the cost of collecting the tax than it would generate in revenue.

Local Effects

Special note should be made to the effect of state tax changes on local expenditures. The most important instance of this is the “piggyback income tax,” an income tax that provides income tax revenue to local governments in Maryland but that is tied to the state income tax base and collected with the state income tax.

This tax is a major source of local government revenue in Maryland. In general, any tax expenditure from the individual income tax reduces total local revenue, on average, by roughly 62 percent of the amount it reduces state revenue. Tax expenditures due to income tax credits, other than the non-refundable earned income tax credit, only affect state revenues.

Technical Notes

Estimating tax expenditures is an inherently imprecise business. The estimator has to count dollars of revenue that are not collected. In some cases, such as tax expenditures delivered through refunds or credits, one can measure the foregone revenue with some precision. In other cases, the tax expenditure involves an activity that is exempt from both taxation and reporting requirements, and one must use outside sources of data to estimate the volume. For many provisions, there is simply no basis for a reliable estimate.

This section focuses on a number of the most important issues in tax expenditure estimating and discusses how they are handled in the report.

Measurement

The estimates in this report measure the difference between existing tax collections and what collections would be without the tax expenditures. Thus, the cost to the state from each tax expenditure is estimated as the revenue that the state would collect if the activity that is the subject of a special tax provision were taxed at the general rate.

Difficulty from Attempting to Sum the Various Estimates

For a variety of reasons, the revenue effect of repealing simultaneously two or more tax expenditures may be more or less than the sum of the individual tax expenditure estimates.

There may be overlap between two tax expenditures. The income tax credit for earned income of individuals below the poverty level benefits many of those eligible for the earned income credit. If either one were repealed, the other provision would “catch” much of the income affected. If both were repealed, the revenue gain would be much larger than the sum of the two individual estimates.

In some cases, changing one tax expenditure will affect other tax revenues. For example, real estate taxes paid are an itemized deduction under the income tax. Eliminating a tax expenditure in the property tax that would increase these deductions would also reduce income tax revenues. The estimates in this report do not include these interaction effects.

Data Sources

Administering agencies are the principal source for estimates of tax expenditures from the tobacco and alcoholic beverage taxes, the property tax, motor-vehicle taxes and fees, the excise tax on vessels and the insurance premium tax. The Bureau of Revenue Estimates assists with the sales tax, the individual and corporation income taxes and the property transfer tax, and the Department of Budget and Management prepares the balance of estimates from other data sources.

Proposed Tax Credit Creation and Enhancement

Based on the Governor’s fiscal year 2014 budget proposal, this report includes a new \$3 million tax credit for cybersecurity investment and \$24.5 million in enhancements to existing tax credits, including \$17.5 million for film production, \$3 million for sustainable communities, \$2 million for biotechnology investment, and \$2 million for qualified research and development expenses.

Notes on Particular Taxes

Individual Income Tax

The starting point for calculating the Maryland individual income tax is federal adjusted gross income (FAGI). Some provisions of the federal tax code make FAGI less than total “economic income” – the full value of all income received by the taxpayer. Examples include the exclusion from FAGI of public assistance benefits and employee fringe benefits.

The revenue foregone by the federal government as a result of these exclusions is counted as tax expenditures for *federal* purposes. The state component of such foregone revenue could be considered a state tax expenditure. However, this report does not include estimates of such tax expenditures.

There is a conceptual difficulty in separating the effect of the standard deduction from itemized deductions since for many taxpayers the standard deduction represents an alternative to itemized deductions. In this report, the standard deduction is considered a “structural” tax expenditure, while individual itemized deductions are considered “categorical” tax expenditures.

Sales Tax

Maryland’s sales tax base includes most tangible goods, as well as a few enumerated services. Some goods are specifically exempt from the tax as are certain purchasers of these items, for example, governments, charitable organizations, etc. The list of tax expenditures enumerates these exemptions.

Corporate Income Tax

The only tax expenditures from the corporate income tax reported here result from subtractions from income allowed in state law and the several state income tax credits.

Property Tax

Estimates of property tax expenditures include only the impact of exclusions on the state property tax. In general, exclusions from the state tax base are also exclusions from the local tax base, so the state tax expenditures are accompanied by local tax expenditures. The amount of the local tax expenditures depends on the tax rate set by each local government.

Property tax credits are not included in this report since funds required to pay those credits are appropriated through the regular budget process.

Admissions and Amusement Tax

These tax expenditures affect only local revenues, and are adopted by local governments. For these reasons, admissions and amusement tax expenditures are not catalogued in this report.

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Detail of Tax Expenditures

By Function

Fiscal Years 2011 – 2014

I. Structural Tax Expenditures

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Income tax personal exemptions Legal reference: Art. TG Sec. 10-211 Note: Local effect is \$360.4 million in FY 2013, \$374.3 million in FY 2014.	620.6	626.8	581.4	603.8
Individual income tax standard deduction Legal reference: Art. TG Sec. 10-217 Note: Local effect is \$79.7 million in FY 2013, \$81.3 million in FY 2014.	122.7	126.1	128.6	131.2
Total:	743.3	752.8	709.9	734.9

II. Categorical Tax Expenditures

1. Agriculture and Fisheries

Corporate income tax subtraction for conservation tillage equipment
Legal reference: Art. TG Sec. 10-308

Millions of Dollars
FY 11 FY 12 FY 13 FY 14

No reliable estimate

Corporate income tax subtraction for reforestation & timber stand improvement
Legal reference: Art. TG Sec. 10-308

No reliable estimate

Corporate income tax subtraction for manure spreading equipment
Legal reference: Art. TG Sec. 10-308

No reliable estimate

Corporate income tax credit for commercial fertilizer costs
Legal reference: Art. TG Sec. 10-704.9

0.0 0.0 - -

Note: No credits ever claimed. Repealed effective July 1, 2012.

Exemption from the inheritance tax for payment deferral for qualified agricultural property
Legal reference: Art. TG Sec. 7-307

No reliable estimate

Refund of aviation fuel tax used for agricultural purposes
Legal reference: Art. TG Sec. 13-901

No reliable estimate

Refund of fuel tax for fuel used for agricultural purposes
Legal reference: Art. TG Sec. 13-901

0.1 0.1 0.1 0.1

Note: 9.6% of this would be distributed to local governments in FY 2014.

Personal income tax subtraction for conservation tillage equipment
Legal reference: Art. TG Sec. 10-208

No reliable estimate

1. Agriculture and Fisheries (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax subtraction for donated farm products Legal reference: Art. TG Sec. 10-208		No reliable estimate		
Personal income tax subtraction for reforestation & timber stand improvement Legal reference: Art. TG Sec. 10-208		No reliable estimate		
Personal income tax credit up to \$500 for the purchase of aquaculture oyster floats Legal reference: Art. TG Sec. 10-724	0.2	0.2	0.2	0.2
Exemption from the sales tax of sales for agricultural purposes & of agricultural products Legal reference: Art. TG Sec. 11-201	160.4	179.3	189.2	195.1
Exemption from the sales tax of sales of crabs & seafood for consumption off-premises Legal reference: Art. TG Sec. 11-206	2.5	2.6	2.6	2.6
Exemption from the sales tax of sales of seafood harvesting equipment Legal reference: Art. TG Sec. 11-218	2.5	2.4	2.5	2.5
Exemption from the sales tax of sales of multifuel pellet stoves designed to burn agricultural field corn Legal reference: Art. TG Sec. 11-226 Note: expected to cost about \$25,000 annually.		No reliable estimate		
Exemption of farm equipment from vehicle title requirements Legal reference: Art. TR Sec. 13-102		No reliable estimate		
Total:	165.7	184.6	194.6	200.6

2. Business

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exclusion of the value of trade-ins from the boat tax Legal reference: Art. NR Sec. 8-716	0.5	1.1	1.3	1.4
Corporate income tax subtraction for dividends for domestic corporations claiming foreign tax credits Legal reference: Art. TG Sec. 10-307	16.8	19.0	22.5	23.6
Corporate income tax subtraction for dividends of domestic international sales corporation & foreign subsidiary Legal reference: Art. TG Sec. 10-307		No reliable estimate		
Corporate income tax subtraction for dividends from related foreign corporations Legal reference: Art. TG Sec. 10-307	34.1	38.6	45.7	48.0
Corporate income tax subtraction for exempt-interest dividends paid by regulated investment companies Legal reference: Art. TG Sec. 10-308		No reliable estimate		
Corporate income tax subtraction for wage expenses disallowed under federal targeted jobs credit Legal reference: Art. TG Sec. 10-308		No reliable estimate		
Corporate income tax gain/loss adjustment for utility company stranded costs Legal reference: Art. TG Sec. 10-309. Subtraction last claimed in TY03 at \$8.6 million.	0.0	0.0	0.0	0.0

2. Business (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Enterprise zone tax credit on corporate income tax Legal reference: Art. TG Sec. 10-702	0.3	0.3	0.3	0.3
Corporate income tax credit for purchases of Maryland-mined coal Legal reference: Art. TG Sec. 10-704.1	0.0	0.0	0.0	0.0
Corporate income tax credit for 60% of property tax paid by telecom businesses on operating property other than land Legal reference: Art. TG Sec. 10-708; repealed effective July 1, 2012	10.5	10.5	-	-
Corporate income tax credit of 25% of wages paid to employees of multijurisdictional electric companies Legal reference: Art. TG Sec. 10-713; repealed effective July 1, 2012	0.0	0.0	-	-
Corporate income tax credit for qualified R&D expenses Legal reference: Art. TG Sec. 10-721	6.0	6.0	6.0	8.0
Corporate income tax credit for cellulosic ethanol technology R&D Legal reference: Art. TG Sec. 10-726 Note: Tax credits could be claimed beginning in tax year 2008. HB 140 (2008).	0.2	0.2	0.2	0.2
Corporate income tax credit for bio-heating oil for use in space or water heating Legal reference: Art. TG Sec 10-727 Note: Sunsets June 30, 2018.	0.3	0.3	0.3	0.3

2. Business (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax credit for qualified film production entities Legal reference: Art. TG Sec 10-730 Note: Credit split between corporate and individual income tax. This credit had been a rebate until HB 672 (2011). Proposed FY 2014 appropriation of \$25 million.	0.5	3.8	3.8	12.5
Corporate income tax credit for employer costs of security clearance Legal reference: Art. TG Sec. 10-732 Note: Credit applies to tax years 2013 - 2016; however, DBED must certify eligible expenses, thereby delaying credit payments until FY 2015.	-	-	-	0.0
Corporate income tax credit for cybersecurity investment Legal reference: Proposed Art. TG Sec. 10-733 Note: Credit split between corporate and individual income tax. Proposed in Governor's FY 2014 budget and is subject to legislative approval.	-	-	-	0.3
Refund for aviation fuel dispensed to aircraft by an aircraft manufacturing company located in the State Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	0.1	0.1	0.1	0.1
Personal income tax subtraction for provision of targeted jobs Legal reference: Art. TG Sec. 10-208	No reliable estimate			
Enterprise Zone tax credit on personal income taxes Legal reference: Art. TG Sec. 10-702	0.4	0.4	0.4	0.4
Personal income tax credit for cogenerators' purchase of MD-mined coal Legal reference: Art. TG Sec. 10-704.1 Note: Corporations take all credits against franchise tax.	0.0	0.0	0.0	0.0

2. Business (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax credit for certain property taxes paid by a telecommunications business Legal reference: Art. TG. Sec. 10-708; repealed effective July 1, 2012 Note: Repealed effective July 1, 2012. Credit was not claimed by individual income taxpayers.	0.0	0.0	-	-
Personal income tax credit for qualified R&D expenses Legal reference: Art. TG Sec. 10-721 Note: Sunsets July 1, 2021.		Negligible		
Personal income tax credit for cellulosic ethanol technology R&D Legal reference: Art. TG Sec. 10-726 Note: Tax credits claims began in tax year 2008.	0.1	0.1	0.1	0.1
Personal income tax credit for bio-heating oil for use in space or water heating Legal reference: Art. TG Sec 10-727 Note: Effective July 1, 2008. Sunsets June 30, 2018.		No reliable estimate		
Personal income tax credit for qualified film production entities Legal reference: Art. TG Sec 10-730 Note: Credit split between corporate and individual income tax. This credit had been a rebate until HB 672 (2011). Proposed FY 2014 appropriation of \$25 million.	0.5	3.8	3.8	12.5
Personal income tax credit for employer costs of security clearance Legal reference: Art. TG Sec. 10-732 Note: Credit applies to tax years 2013 - 2016; however, DBED must certify eligible expenses, thereby delaying credit payments until FY 2015.	-	-	-	0.0

2. Business (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax credit for cybersecurity investment Legal reference: Proposed Art. TG Sec. 10-733 Note: Credit split between corporate and individual income tax. Proposed in Governor's FY 2014 budget and is subject to legislative approval.	-	-	-	2.7
One Maryland Economic Development tax credit against the insurance premium tax for certain economic development projects Legal reference : Art. Ins Sec.6-119	Included in Corporate and Individual Income Tax			
Property used for heating/cooling of state owned/occupied property Legal reference: Art. TP Sec. 7-210,11 Note: No revenue loss; properties potentially affected are already tax exempt.	0.0	0.0	0.0	0.0
Exemption from the property tax of landing areas at privately owned, public use airports Legal reference: Art. TP Sec. 7-303 Note: Tax expenditure is under \$5,000 annually.	No reliable estimate			
Exemption from the public service company franchise tax of internet services Legal reference: Art. TG Sec. 8-401	No reliable estimate			
Public service company franchise tax credit for purchase of MD-mined coal Legal reference: Art. TG Sec. 8-406 Note: Capped at \$4.5 million for FY 2011 - 2013 and \$6 million for FY 2014. Phased out in FY 2021, HB 101 (2009).	4.5	4.5	4.5	6.0
Public service company franchise tax credit for sales to large industrial customers for production activity Legal reference: Art. TG Sec 8-417	1.5	1.5	1.5	1.5

2. Business (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Property tax credit for the Urban Enterprise Zone Tax Credit Legal reference: Art. TP Sec 9-103	15.2	16.2	18.8	14.5
Property tax credit for the BRAC Zone Tax Credit Legal reference: Art. TP Sec 5-105	0.2	0.4	0.8	1.1
Exemption from the sales tax for the "core value" of used truck parts exchanged for remanufactured parts Legal reference: Art. TG Sec. 11-101	0.1	0.1	0.1	0.1
Exemption from the sales tax of cylinder demurrage charges Legal reference: Art. TG Sec. 11-202; repealed effective July 1, 2012	0.7	0.7	-	-
Exemption from the sales tax of sales to cemetery companies Legal reference: Art. TG Sec. 11-204	No reliable estimate			
Exemption from the sales tax of sales to credit unions Legal reference: Art. TG Sec. 11-204	0.3	0.3	0.3	0.3
Exemption from the sales tax of certain transfers of business property Legal reference: Art. TG Sec. 11-209	No reliable estimate			
Exemption from the sales tax of sales of tangible personal property used predominantly in a production activity Legal reference: Art. TG Sec. 11-210	94.8	99.9	100.5	103.3

2. Business (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the sales tax of sales of certain bakery equipment Legal reference: Art. TG Sec. 11-210 Note: Probably under \$25,000 annually.				
				No reliable estimate
Exemption from the sales tax of sales of machinery & utilities used to produce bituminous concrete Legal reference: Art. TG Sec. 11-210	0.3	0.3	0.3	0.3
Exemption from the sales tax of sales of wood products & fuel for mining purposes Legal reference: Art. TG Sec. 11-212				No reliable estimate
Exemption from the sales tax of sales of diesel fuel used in coal mine reclamation Legal reference: Art. TG Sec. 11-212 Note: Less than \$20,000 annually.				No reliable estimate
Exemption from the sales tax of the use of nonresidential personal property Legal reference: Art. TG Sec. 11-214				No reliable estimate
Exemption from the sales tax of sales of precious metal coins or bullion over \$1,000 Legal reference: Art. TG Sec. 11.214	2.4	2.6	2.7	2.9
Exemption from the sales tax for sales & printing of free newspapers Legal reference: Art. TG Sec. 11-215	3.4	3.7	3.7	3.8
Exemption from the sales tax for sales of out-of-state direct mail advertising materials Legal reference: Art. TG Sec. 11-215	4.0	4.3	4.4	4.5

2. Business (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the sales tax of sales of photographic & artistic materials used in publication Legal reference: Art. TG Sec. 11-215	10.6	11.3	11.5	11.8
Exemption from the sales tax of certain sales for R&D purposes Legal reference: Art. TG Sec. 11-217	21.6	21.4	21.5	22.1
Exemption from the sales tax of sales of fuel or repair parts for commercial vessels Legal reference: Art. TG Sec. 11-218	No reliable estimate			
Exemption from the sales tax of optional computer software maintenance contracts Legal reference: Art. TG Sec. 11-219	6.7	7.2	7.3	7.5
Exemption from the sales tax of sales of certain computer programs Legal reference: Art. TG Sec. 11-225	2.4	2.3	2.4	2.4
Exemption from the sales tax of sales of property or services used in film production activity Legal reference: Art. TG Sec. 11-227	0.4	1.9	1.2	1.2
Exemption from the sales tax of sales of power to operate equipment for producing snow for commercial purposes Legal reference: Art. TG Sec. 11-229 Note: Probably under \$10,000 annually.	No reliable estimate			
Exemption from the sales tax of sales of space at corporate training centers Legal reference: Art. TP Sec. 11-231 Note: Tax exempt per HB 855 (2010).	0.4	0.4	0.4	0.4
Exemption from the titling tax for registered passenger buses Legal reference: Art. TR Sec. 13-810	No reliable estimate			

2. Business (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the titling tax for registered truck tractors Legal reference: Art. TR Sec. 13-810				No reliable estimate
Exemption from the property transfer tax for conversion of foreign entities to LLCs Legal reference: Art. TP Sec 13-207				No reliable estimate
Exemption from the transfer tax for corporate or partnership conveyances Legal reference: Art. TP Sec. 13-207				No reliable estimate
Exemption from the transfer tax for mergers, consolidations or transfers from partnership to a LLC Legal reference: Art. TP Sec. 13-207				No reliable estimate
Exemption from the transfer tax for transfers of corporate property between related corporations Legal reference: Art. TP Sec. 13-207				No reliable estimate
Exemption from the transfer tax for transfers upon conversion of joint venture or sole proprietorship to a LLC Legal reference: Art. TP Sec. 13-207				No reliable estimate
Total:	239.9	263.0	266.4	294.1

3. Charity

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the boat tax of vessels purchased by charitable organizations Legal reference: Art. NR Sec. 8-716 Note: Estimated at less than \$30,000 annually.				
				Negligible
Refund of the fuel tax to the Red Cross Legal reference: Art. TG Sec. 13-901				
				No reliable estimate
Personal income tax deduction for charitable contributions Legal reference: Art. TG Sec. 10-204 Note: Local effect is \$128.3 million in FY 2014.	195.8	199.7	203.8	206.9
Exemption from the sales tax of sales to charitable organizations Legal reference: Art. TG Sec. 11-204	99.1	105.5	107.9	110.4
Exemption from registration fees for vehicles owned by the Red Cross Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.				
				No reliable estimate
Exemption from the titling tax of Red Cross Vehicles Legal reference: Art. TR Sec. 13-810				
				No reliable estimate
Total:	294.9	305.2	311.7	317.3

4. Education	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax credit for student work-based learning programs Legal reference: Art. TG Sec. 10-711 Note: Sunsets June 30, 2013.	0.1	0.1	0.1	-
Personal income tax subtraction for amounts contributed to prepaid tuition plans Legal reference: Art. TG Sec. 10-207	No reliable estimate			
Personal income tax subtraction for contributions to investment accounts Legal Reference: Art. TG Sec. 10-208 Note: Applies to the Maryland College Investment Plan and to the Maryland Broker-Dealer College Investment Plan. Capped at \$2,500 per beneficiary.	2.6	3.8	4.8	4.8
Personal income tax credit for student work-based learning programs. Legal reference: Art. TG Sec. 10-711 Note: Less than \$25,000 claimed annually. Sunsets June 30, 2013.	Negligible			
Personal income tax credit for expenses incurred by classroom teachers for advanced education Legal reference: Art. TG Sec. 10-717	7.5	7.1	7.2	7.5
Insurance premiums tax credit for student work-based learning programs Legal reference: Art. INS Sec. 6-118 Note: Sunsets June 30, 2013. Established in 1998.	No reliable estimate			

4. Education (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the property tax of property for educational uses Legal reference: Art. TP Sec. 7-202	4.2	4.5	4.9	5.4
Public service company franchise tax credit for student work-based learning prog. Legal reference: Art. TG Sec. 8-415	No reliable estimate			
Exemption from the sales tax of certain fund raising sales to benefit school/students Legal reference: Art. TG Sec. 11-204	1.2	1.3	1.4	1.4
Exemption from the sales tax of sales to educational organizations Legal reference: Art. TG Sec. 11-204	11.5	12.3	12.6	12.8
Exemption from the sales tax of sales of food at Schools, Colleges & Universities Legal reference: Art. TG Sec. 11-206	23.9	24.8	25.2	25.2
Back to school clothing and footwear sales tax exemption. Legal reference: Art. TG Sec. 11-228	9.6	10.1	10.6	11.2
Exemption from the titling tax of buses used for public school transportation Legal reference: Art. TR Sec. 13-810	No reliable estimate			
Exemption from the titling tax of vehicles owned by private schools Legal reference: Art. TR Sec. 13-810	No reliable estimate			
Total:	60.7	64.0	66.8	68.2

5. Elderly	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax subtraction for federally-taxed social security & railroad retirement benefits Legal reference: Art. TG Sec. 10-207 Note: Local effect is \$102.8 million in FY 2014.	159.3	162.0	163.9	165.8
Personal income tax pension exclusion. Legal reference: Art. TG Sec. 10-209 Note: Local effect is \$89.5 million in FY 2014.	134.6	141.6	143.0	144.4
Additional personal income tax exemptions for the blind and elderly Legal reference: Art. TG Sec. 10-211 Note: Local effect is \$11.4 million in FY 2014.	17.7	18.0	18.2	18.3
Exemption from the property tax of nonprofit housing for the elderly Legal reference: Art. TP Sec. 7-202	0.5	0.6	0.5	0.6
Exemption from property tax of continuing care facilities for the aged Legal reference: Art. TP Sec. 7-206		No reliable estimate		
Exemption from the sales tax of sales under \$500 to nonprofit senior citizens' orgs Legal reference: Art. TG Sec. 11-204		No reliable estimate		
Exemption from the sales tax of residential sales of electricity to a non-profit planned retirement community Legal reference: Art. TG Sec. 11-207	0.3	0.3	0.3	0.3
Total:	312.5	322.4	325.9	329.4

6. Employment-related	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax credit for job creation (Job Creation Tax Credit) Legal reference: Art. TG Sec. 10-704.4 Note: Sunsets January 1, 2020.	0.6	0.6	0.6	0.6
Corporate income tax credit for businesses that create new jobs Legal reference: Art. TG Sec. 10-704.8	1.0	1.0	1.1	1.1
Corporate income tax credit for employing qualified ex-felons Legal reference: Art. TG Sec. 10-704.10; repealed effective July 1, 2012	0.1	0.0	-	-
Corporate income tax credit for ONE Maryland project/startup costs Legal reference: Art. TG Sec. 10-714	7.3	8.9	10.1	10.9
Job Creation and Recovery Tax Credit for the corporate income tax Legal reference: Art. TG Sec. 10-728; repealed effective July 1, 2012	2.2	0.1	0.1	-
Personal income tax itemized deduction for job expenses Legal reference: Art. TG Sec. 10-204	94.6	106.7	116.3	124.1
Personal income tax subtraction for pickup contributions for pension & retirement systems Legal reference: Art. TG Sec. 10-207	No reliable estimate			
Personal income tax subtraction for employment-related household & dependent care Legal reference: Art. TG Sec. 10-208 Note: Local effect is \$14.6 million in FY 2014.	27.2	26.3	24.9	23.6
Personal income tax credit for job creation (Job Creation Tax Credit) Legal reference: Art. TG Sec. 10-704.4 Note: Sunsets January 1, 2020.	0.1	0.1	0.1	0.5

6. Employment-related (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax credit for businesses that create new jobs Legal reference: Art. TG Sec. 10-704.8 Note: Claimed entirely against the corporate income tax.	Included in Corporate Income Tax			
Personal income tax credit for employing qualified ex-felons Legal reference: Art. TG Sec. 10-704.10; repealed effective July 1, 2012	0.1	0.0	-	-
Personal income tax credit for ONE Maryland project/startup costs Legal reference: Art. TG Sec. 10-714	3.6	3.7	3.8	3.9
Job Creation and Recovery Tax Credit for the personal income tax Legal reference: Art. TG Sec. 10-728; repealed effective July 1, 2012	6.5	0.4	0.2	-
Insurance premiums tax credit for job creation. Legal reference: Art. INS Sec. 6-114 Note: Applies for employees hired after January 1, 1996.	0.6	0.6	0.6	0.6
Insurance premiums tax credit for businesses that create new jobs Legal reference: Art. INS Sec. 6-116	No reliable estimate			
Public service company franchise tax credit for job creation Legal reference: Art. TG Sec. 8-411	No reliable estimate			
Total:	143.9	148.3	157.6	165.2

7. Environment	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax credit for employer-provided commuter benefits Legal reference: Art. TG Sec. 10-715	0.3	0.3	0.3	0.3
Corporate income tax credit for costs of solar water heating or photovoltaic property placed in service Legal reference: Art. TG Sec. 10-719; repealed effective July 1, 2012	0.0	0.0	-	-
Corporate credit for electricity produced from certain qualified energy resources Legal reference: Art. TG Sec 10-720 Note: Authorized to award a total of \$25 million through December 31, 2015.	0.0	0.1	0.1	0.1
Corporate income tax credit for "green buildings" construction & rehabilitation costs Legal reference: Art. TG Sec. 10-722	0.1	0.5	0.5	0.5
Corporate income tax credit for biotechnology investment Legal reference: Art. TG Sec. 10-725 Note: Credit split between corporate and individual income tax. Cost depends on appropriation: \$8 million for FY 2011 - 2013. Proposed FY 2014 appropriation of \$10 million.	0.6	0.7	0.7	0.9
Corporate income tax credit for Electric Vehicle Recharging Equipment Legal reference: Art. TG Sec. 10-729	0.0	0.2	0.3	0.3

7. Environment (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
One cent/gal reduction in fuel tax for clean-burning fuels Legal reference: Art. TG Sec. 9-305				
	No reliable estimate			
Personal income tax subtraction for grants under the Solar Energy Grant Program Legal reference: Art. TG Sec. 10-207 Note: HB 590 (2007).	0.7	0.7	0.7	0.7
Personal income tax subtraction for cost of manure spreading equipment Legal reference: Art. TG Sec. 10-208				
	No reliable estimate			
Personal income tax subtraction for certain sewage disposal systems Legal reference: Art. TG Sec. 10-208 Note: Fiscal effect starts in FY 2010, SB785 (2009).	0.2	0.3	0.1	0.1
Personal income tax subtraction for conservation and management program expenses Legal reference: Art. TG Sec. 10-208 Note: Begins in FY 2013.	-	-	Negligible	
Personal income tax credit for certified additional commercial fertilizer costs Legal reference: Art. TG Sec. 10-704.9; repealed effective July 1, 2012	0.0	0.0	-	-

7. Environment (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax credit for employer-provided commuter benefits Legal reference: Art. TG Sec. 10-715	0.1	0.1	0.1	0.1
Individual costs of solar water heating or photovoltaic property placed in service Legal reference: Art. TG Sec. 10-719; repealed effective July 1, 2012	0.0	0.0	-	-
Individual income tax credits for electricity produced from qualified energy resources Legal reference: Art. TG Sec. 10-720 Note: credits now being claimed. Refundable as of 2010. Tax year figures converted to fiscal year estimates.	0.6	1.0	1.6	2.4
Personal income tax credit for "green buildings" construction & rehabilitation costs Legal reference: Art. TG Sec. 10-722	0.3	0.4	0.4	0.6
Personal income tax credit for easements conveyed to the MD Environmental Trust or MD Agricultural Land Preservation Foundation Legal reference: Art. TG Sec. 10-723	1.0	1.0	1.0	1.0
Individual income tax credit for biotechnology investment Legal reference: Art. TG Sec 10-725 Note: Credit split between corporate and individual income tax. Cost depends on appropriation: \$8 million for FY 2011 - 2013. Proposed FY 2014 appropriation of \$10 million.	5.4	7.3	7.3	9.1
Personal income tax credit for Electric Vehicle Recharging Equipment Legal reference: Art. TG Sec. 10-729	0.0	0.2	0.3	0.3

7. Environment (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Insurance premiums tax credit for employer-provided commuter benefits Legal reference: Art. INS Sec. 6-120 Note: Average \$61,000 per year between FY 2003 and FY 2008.				
			Negligible	
Exemption from the sales tax of sales of machinery and equipment used to produce "Energy Star" windows and entry doors Legal reference: Art. TG Sec. 11-210 Note: Effective July 1, 2012	-	-	0.3	0.3
Exemption from the sales tax of sales of certain energy-efficient appliances Legal reference: Art. TG Sec. 11-226			No reliable estimate	
Exemption from the sales tax of geothermal, wind or solar energy equipment Legal reference: Art. TG Sec. 11-230	0.2	0.3	0.3	0.4
Exemption from the property tax of residential Wind Energy Equipment and Solar Energy Property Legal reference: Art. TP Sec. 7-242 Note: Enacted by HB 1171 (2009) for wind, HB 377 (2008) for solar.	0.0	0.0	0.0	0.0
Exemption from the motor vehicle titling tax for electric vehicles Legal reference: Art. TR Sec. 13-815 Note: Applies for qualified vehicles titled October 1, 2010 - June 30, 2013. HB 469 (2010).	0.3	1.6	1.9	-
Total:	9.8	14.7	15.8	17.0

8. Families

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the alcoholic beverage excise tax for family produced wine for personal use or entry into an exhibition Legal reference: Art. TG Sec. 5-104				
				No reliable estimate
Exemption from the inheritance tax for small estates. Legal reference: Art. TG Sec. 7-203				
				No reliable estimate
Exemption from the inheritance tax of death benefits payable to a trust Legal reference: Art. TG Sec. 7-203				
				No reliable estimate
Exemption from the inheritance tax of \$500 for grave maintenance Legal reference: Art. TG Sec. 7-203				
				No reliable estimate
Exemption from the inheritance tax of life insurance benefits Legal reference: Art. TG Sec. 7-203				
				No reliable estimate
Exemption from the inheritance tax of property passed to lineal beneficiaries or siblings Legal reference: Art. TG Sec. 7-203	43.7	46.7	46.4	50.8
Exemption from the inheritance tax of property passed to domestic partners Legal reference: Art. TG Sec. 7-203	1.0	1.0	1.0	1.0
Exemption from the inheritance tax for family farms qualifying as farmland Legal reference: Art. TG Sec. 7-211				
				No reliable estimate
Exemption from the property transfer tax for transfers made from estates with no consideration and to and from trusts Legal reference: Art. TP Sec 12-108 and 13-107				
				No reliable estimate

8. Families (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the property transfer tax for transfers between domestic partners, former domestic partners or relatives Legal reference: Art. TP Sec 13-207		No reliable estimate		
Personal income tax subtraction for two-income married couples Legal reference: Art. TG Sec. 10-207 Note: Local effect is \$27.7 million in FY 2014.	40.4	41.6	43.2	44.7
Certain gross income of child included in parents income Legal reference: Art. TG Sec. 10-208		No reliable estimate		
Personal income tax credit for child and dependent care expenses Legal reference: Art. TG Sec. 10-716	4.9	4.7	4.7	4.9
Homestead property tax credit for properties with assessment increases over 10% Legal reference: Art. TP Sec. 9-105 Note: Local governments forego about 16 times the State credits. See SB 520, HB 199 (2010).	36.1	8.4	2.3	2.3
Homeowners' property tax credit Legal reference: Art. TP Sec. 9-104; Art. TG Sec. TP Sec. 9-102	55.6	62.6	60.0	62.3
Renters' property tax relief Legal reference: Art. TP Sec. 9-104; Art. TG Sec. TP Sec. 9-102	2.4	2.7	2.4	2.4

8. Families (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the sales tax for food consumed off premises Legal reference: Art. TG Sec. 11-206	631.6	656.8	666.3	666.0
Exemption from the sales tax of fuel rate adjustment charges on sales of electricity, etc. used in the common areas of residential condominiums Legal reference: Art. TG Sec. 11-207	0.6	0.5	0.6	0.6
Exemption from the sales tax of sales of fuel electricity, steam, natural or artificial gas, etc. for residential use Legal reference: Art. TG Sec. 11-207	365.5	374.6	371.5	386.3
Exemption from the transfer tax for transfers between spouses, former spouses or relatives Legal reference: Art. TP Sec. 13-207	No reliable estimate			
Total:	1,181.7	1,199.5	1,198.3	1,221.3

9. Fire and Rescue

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax subtraction for income from fire & ambulance length-of-service awards Legal reference: Art. TG Sec. 10-207		No reliable estimate		
Personal income tax subtraction for qualifying volunteer emergency service personnel Legal reference: Art. TG Sec. 10-208 Note: Local effect is \$1.2 million in FY 2014.	2.0	2.0	2.0	2.0
Exemption from the property tax of volunteer fire companies Legal reference: Art. TP Sec. 7-209	0.5	0.5	0.5	0.5
Exemption from the sales tax of sales to fire, rescue & ambulance companies Legal reference: Art. TG Sec. 11-204	1.6	1.7	1.7	1.7
Exemption from the sales tax of sales of food to support fire, rescue & ambulance companies Legal reference: Art. TG Sec. 11-206	0.1	0.1	0.1	0.1
Refund of fuel tax for fuel used in fire and rescue vehicles Legal reference: Art. TG Sec. 13-901	0.1	0.1	0.1	0.1
Exemption of fire and rescue vehicles from vehicle registration fees Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.		Included in Miscellaneous Exemptions		

9. Fire and Rescue (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption of fire buff canteen wagons from vehicle registration fees Legal reference: Art. TR Sec. 13-903				No reliable estimate
Exemption from the titling tax of fire engines & fire department apparatus Legal reference: Art. TR Sec. 13-810				No reliable estimate
Total:	4.2	4.4	4.4	4.5

10. Handicapped and Disabled

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax subtraction for disability payments to police & firefighters Legal reference: Art. TG Sec. 10-207				No reliable estimate
Personal income tax subtraction for adoption expenses of special-needs children Legal reference: Art. TG Sec. 10-208				No reliable estimate
Personal income tax subtraction for expenses of providing human or mechanical readers for blind individuals Legal reference: Art. TG Sec. 10-208				No reliable estimate
Personal income tax credit for wages/child care/transportation for employees with disabilities Legal reference: Art. TG Sec. 10-704.7 Note: Sunsets June 30, 2013.			Included in Corporate Income Tax	-
Insurance premiums tax credit for hiring disabled persons Legal reference: Art. INS Sec. 6-115 Note: Sunsets June 30, 2013.				No reliable estimate
Exclusion of \$15,000 of assessed value for blind and surviving spouses Legal reference: Art. TP Sec. 7-207 Note: Revenue loss is less than \$40,000 annually.	0.0	0.0	0.0	0.0
Public service company franchise tax credit for telephone lifeline service Legal reference: Art. TG Sec. 8-407	0.3	0.3	0.3	0.3

11. Housing	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax deduction for home mortgage interest Legal reference: Art. TG Sec. 10-204 Note: Local effect is \$351.1 million in FY 2014.	545.6	551.1	559.7	566.3
Personal income tax deduction for real estate taxes Legal reference: Art. TG Sec. 10-204 Note: Local effect is \$129.6 million in FY 2014.	186.5	195.0	202.9	209.1
Personal income tax credit for property tax paid on owner-occupied residences in specified neighborhoods Legal reference: Art. TG Sec. 10-707	0.2	0.2	0.2	0.2
Exemption of Housing Authorities from the property tax Legal reference: Art. TP Sec. 7-215	2.1	2.0	2.0	2.0
Sales tax exclusion of 40% of the purchase price for retail sales of new mobile homes Legal reference: Art. TG Sec. 11-104	1.2	1.2	1.2	1.2
Exemption from the sales tax of sales of used mobile homes Legal reference: Art. TG Sec. 11-213	0.1	0.3	0.1	0.1
Property transfer tax rate halved for first time Maryland homebuyers Legal reference: Art. TP Sec. 13-203	9.1	9.3	10.6	12.6
Exemption from the transfer tax for cooperative housing corporations Legal reference: Art. TP Sec. 13-207	No reliable estimate			
Total:	744.7	759.1	776.6	791.4

12. Interstate Commerce

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Excise tax exemption for alcoholic beverages sold or delivered in the course of interstate commerce Legal reference: Art. TG Sec. 5-104		No reliable estimate		
Exemption from the sales tax of sales of food on vehicles engaged in interstate commerce Legal reference: Art. TG Sec. 11-206 Note: Comptroller believes that such sales would be exempt under the U.S. Constitution.		No reliable estimate		
Exemption from the sales tax of sales of film or tape used in television broadcasting Legal reference: Art. TG Sec. 11-208 Note: One taxpayer involved.	0.5	0.6	0.6	0.6
Exemption from the sales tax of sales of marine equipment or machinery for ocean going vessels Legal reference: Art. TG Sec. 11-208	0.8	0.8	0.8	0.8
Exemption from the sales tax of sales of vehicles used in interstate commerce Legal reference: Art. TG Sec. 11-208	15.3	15.1	15.2	15.6
Total:	16.6	16.5	16.6	17.0

13. Medical and Health	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the excise tax for wine or spirits bought by a hospital for medicinal purposes Legal reference: Art. TG Sec. 5-104 Note: Included in expenditures for alcohol purchased under non-beverage permit, estimated to be \$100,000 annually.				No reliable estimate
Corporate income tax subtraction for elevator handrails in health care facilities Legal reference: Art. TG Sec. 10-308				No reliable estimate
Corporate income tax credit for employer-paid long-term care insurance premiums Legal reference: Art. TG Sec. 10-710 Note: Less than \$6,000 annually claimed to date.				Negligible
Corporate income tax credit for practitioners in Health Enterprise Zones Legal reference: Art. TG Sec. 10-731 Note: Funds for these credits come from the Health Enterprise Reserve Fund.	-	-	0.1	0.1
Personal income tax deduction for medical expenses Legal reference: Art. TG Sec. 10-204 Note: Local effect is \$60.5 million in FY 2014.	87.1	91.5	94.9	97.6
Personal income tax subtraction modification for the cost of installing handrails in certain medical facilities Legal reference: Art. TG Sec. 10-208				No reliable estimate
Personal income tax credit for eligible long-term care premiums Legal reference: Art. TG Sec. 10-718	2.8	3.3	3.3	3.4

13. Medical and Health (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax credit for practitioners in Health Enterprise Zones Legal reference: Art. TG Sec. 10-731 Note: Funds for these credits come from the Health Enterprise Reserve Fund.	-	-	0.1	0.1
Exemption of non-profit health service plans from the insurance premiums tax Legal reference: Art. INS Sec. 6-101 Note: Non-profit health service plans pay at least 2% of premiums to support specific state projects (for example, the Senior Prescription Drug Assistance Program) in lieu of premium tax payments.	26.6	26.9	27.5	28.1
Exemption of premiums for non-profit health maintenance organizations from the insurance premiums tax Legal reference: Art. INS Sec. 6-101 Note: Non-profit health maintenance organizations pay at least 2% of premiums to the Medical Assistance Program Account.	1.2	1.2	1.3	1.3
Exemption of premiums for for-profit health maintenance organizations Legal reference: Art. INS Sec. 6-101 Note: For-profit HMOs are assessed a 2% premium tax which goes directly to the Rate Stabilization Fund. However, they do not provide any premium tax revenue to the general fund.	71.7	72.9	74.0	75.1
Insurance premiums tax credit for employer-paid long-term care insurance premiums Legal reference: Art. INS Sec. 6-117	No reliable estimate			

13. Medical and Health (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption of nonprofit hospitals and health facilities from the property tax Legal reference: Art. TP Sec. 7-202	5.3	5.3	6.8	7.3
Public service company franchise tax credit for employer-paid long-term care insurance premiums Legal reference: Art. TG Sec. 8-415	No reliable estimate			
Exemption from the sales tax of sales of medicine, medical supplies & health aids Legal reference: Art. TG Sec. 11-211	396.9	405.4	409.4	426.6
Exemption from the titling tax for hearing & vision screening vehicles Legal reference: Art. TR Sec. 13-810	No reliable estimate			
Total:	591.7	606.4	617.3	639.7

14. Poverty	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax credit for wages/child care/transportation for employees with disabilities Legal reference: Art. TG Sec. 10-704.7 Note: Sunsets June 30, 2013.	0.0	0.0	0.0	-
Non-Refundable Earned Income Tax Credit	76.4	76.3	76.0	78.8
Refundable Earned Income Tax Credit Legal reference: Art. TG Sec. 10-704 Note: State credit is refundable in certain cases.	152.9	157.2	157.0	162.8
Personal income tax credit for hiring qualified low income employees Legal reference: Art. TG Sec. 10-704.3; cannot be claimed after tax year 2012	0.0	0.0	-	-
Personal income tax credit for persons with below poverty level incomes Legal reference: Art. TG Sec. 10-709 Note: Local effect is \$3 million in FY 2014.	4.7	4.7	4.6	4.8
Insurance premiums tax credit for hiring qualified low income employees Legal reference: Art. INS Sec. 6-105 Note: Effective for persons hired through June 30, 2006.			No reliable estimate	
Total:	234.0	238.2	237.6	246.4

15. Religious

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the excise tax for wine bought by a religious organization for sacramental purposes Legal reference: Art. TG Sec. 5-104				
	No reliable estimate			
Exemption of religious organizations from the property tax Legal reference: Art. TP Sec. 7-204	10.2	10.4	11.4	12.4
Exemption from the sales tax of sales by religious organizations Legal reference: Art. TG Sec. 11-204	4.7	5.0	5.1	5.2
Exemption from the sales tax of sales to religious organizations Legal reference: Art. TG Sec. 11-204	14.2	15.2	15.5	15.8
Exemption from the sales tax of sales of food by religious organizations Legal reference: Art. TG Sec. 11-206	8.1	8.4	8.5	8.5
Exemption from registration fees for school vehicles owned by religious organizations Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.				
	No reliable estimate			
Exemption from the titling tax for school vehicles owned by religious organizations Legal reference: Art. TR Sec. 13-810				
	No reliable estimate			
Total:	37.2	38.9	40.6	42.0

16. Veterans and Military

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax subtraction for certain military retirement income Legal reference: Art. TG Sec. 10-207	4.7	5.6	7.7	10.6
Personal income tax subtraction for overseas military pay Legal reference: Art. TG Sec. 10-207	No reliable estimate			
Abatement of income tax for US military & civilian employees killed as a result of combat or terrorism Legal reference: Art. TG Sec. 13-908 Note: Less than \$30,000 annually claimed to date.	Negligible			
Exemption of disabled veterans and surviving spouses from the property tax Legal reference: Art. TP Sec. 7-208	1.6	1.5	1.6	1.7
Exemption from the sales tax of sales of food to support veterans' organizations Legal reference: Art. TG Sec. 11-206	1.7	1.8	1.8	1.9
Exemption from the sales tax for sales to veterans' organizations Legal reference: Art. TG Sec. 11-204 Note: HB 319 (2012) eliminates termination date.	0.1	0.1	0.1	0.1
Exemption from registration fees for Civil Air Patrol vehicles Legal reference: Art. TR Sec. 13-903	No reliable estimate			
Exemption from registration fee for vehicles owned by veterans' organizations Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.	No reliable estimate			

16. Veterans and Military (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from registration fees for vehicles owned by disabled veterans Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.				Negligible
Exemption from registration fees for the American Legion's "40-8 box car" Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.				No reliable estimate
Exemption from the titling tax of Civil Air Patrol vehicles Legal reference: Art. TR Sec. 13-810 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.				No reliable estimate
Exemption from the titling tax of vehicles owned by veterans' organizations Legal reference: Art. TR Sec. 13-810				No reliable estimate
Exemption from the tobacco tax of cigarettes for sale at post exchanges and commissaries Legal reference: Art. TG Sec. 12-104				No reliable estimate
Exemption from the tobacco tax of other tobacco products for sale at post exchanges and commissaries Legal reference: Art. TG Sec. 12-104				No reliable estimate
Total:	8.1	9.0	11.2	14.2

17. Volunteer and Nonprofit	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax credit for neighborhood and community assistance contributions Legal reference: Art. TG Sec. 10-704.6	0.3	0.3	0.3	0.3
Refund of fuel tax to state-funded nonprofit transit systems for the elderly, disabled or poor Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	0.6	0.6	0.6	0.6
Exemption from the inheritance tax for property that passes to qualified nonprofit organizations Legal reference: Art. TG Sec. 7-203			No reliable estimate	
Financial institution franchise tax credit for donations to nonprofit neighborhood revitalization projects Legal reference: Art. TG Sec. 8-214			No reliable estimate	
Exemption of fraternal beneficiary corporations from the insurance premiums tax Legal reference: Art. INS Sec. 6-101	1.7	1.8	1.9	2.0
Insurance premiums tax credit for donations to nonprofit neighborhood revitalization projects Legal reference: Art. INS Sec. 6-105			No reliable estimate	
Exemption of nonprofit cemetery & mausoleum property from the property tax Legal reference: Art. TP Sec. 7-201	0.2	0.2	0.2	0.2

17. Volunteer and Nonprofit (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption of lodges, trade & civic associations, clubs & other nonprofit organizations from the property tax Legal reference: Art. TP Sec. 7-202 Note: Includes charitable organizations, church societies & clubs.	2.2	2.2	2.2	2.4
Exemption of youth camps from the property tax Legal reference: Art. TP Sec. 7-202 Note: Additional legal references: TP 7-212, 233.	1.1	1.2	1.2	1.3
Exemption of the Chesapeake Bay Foundation from the property tax Legal reference: Art. TP Sec. 7-203 Note: Revenue loss is Less than \$30,000 annually.			Negligible	
Exemption of community water systems from the property tax Legal reference: Art. TP Sec. 7-205			No reliable estimate	
Exemption of historical societies and war memorials from the property tax Legal reference: Art. TP Sec. 7-214	0.3	0.3	0.3	0.3
Exemption of veterans' organizations from the property tax Legal reference: Art. TP Sec. 7-234	0.1	0.1	0.1	0.1
Public service company franchise tax credit for donations to nonprofit neighborhood revitalization projects Legal reference: Art. TG Sec. 8-412			No reliable estimate	

17. Volunteer and Nonprofit (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Individual income tax subtraction for unreimbursed mileage of certain volunteers Legal reference: Art. TG Sec. 10-208				No reliable estimate
Exemption from the sales tax for food delivered for immediate consumption by a non-profit vendor Legal reference: Art. TG Sec. 11-206	0.3	0.3	0.3	0.3
Total:	6.7	6.9	7.1	7.5

18. Miscellaneous	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the excise tax of alcoholic beverages under a non-beverage permit Legal reference: Art. TG Sec. 5-104	0.1	0.1	0.1	0.1
Miscellaneous exemptions from the boat tax Legal reference: Art. NR Sec. 8-716	0.2	0.1	0.1	0.1
Corporate income tax subtraction for profit on sale of MD state or local bonds Legal reference: Art. TG Sec. 10-307			No reliable estimate	
Corporate income tax subtraction for state tax-exempt interest from mutual funds Legal reference: Art. TG Sec. 10-307			No reliable estimate	
Corporate income tax subtraction for income from state relocation assistance Legal reference: Art. TG Sec. 10-307			No reliable estimate	
'Delaware Holding Company' (DHL) subtraction Legal reference: Art. TG Sec. 10-308	15.1	17.1	20.2	21.2
Various corporate income tax subtractions, not separately estimated Legal reference: Art. TG Sec. 10-307,308	62.7	70.9	83.9	88.1
Corporate income tax credit for rehabilitating historic/heritage structures Legal reference: Art. TG Sec. 10-704.5 Note: Initial credits may not be issued after June 30, 2014.	1.5	3.6	0.6	3.5
Exemption from the fuel tax for diesel fuel used in vessels Legal reference: Art. TG Sec. 9-303	0.1	0.1	0.1	0.1

18. Miscellaneous (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the inheritance tax of income accrued on probate assets Legal reference: Art. TG Sec. 7-203				No reliable estimate
Exemption from the inheritance tax of recovered Holocaust assets Legal reference: Art. TG Sec. 7-203				No reliable estimate
Various personal income tax deductions, not otherwise classified Legal reference: Art. TG Sec. 10-204 Note: Local effect is \$15 million in FY 2014.	22.0	23.7	24.0	24.2
Personal income tax subtraction for income from state relocation assistance Legal reference: Art. TG Sec. 10-207				No reliable estimate
Personal income tax subtraction for income related to recovered Holocaust assets Legal reference: Art. TG Sec. 10-207				No reliable estimate
Personal income tax subtraction for artwork donated by professional artists Legal reference: Art. TG Sec. 10-208				No reliable estimate
Miscellaneous personal income tax subtraction modifications Legal reference: Art. TG Sec. 10-207,208				No reliable estimate
Personal income tax credit for rehabilitating historic/heritage structures Legal reference: Art. TG Sec. 10-704.5 Note: Initial credits may not be issued after June 30, 2014.	3.2	4.3	4.2	4.2
Personal income tax credit for contributions for neighborhood/community assistance Legal reference: Art. TG Sec. 10-704.6	1.1	1.0	1.0	1.0

18. Miscellaneous (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption of annuities from the insurance premiums tax Legal reference: Art. INS Sec. 6-103	97.6	102.8	107.1	111.5
Insurance premiums tax credit for rehabilitating historic/heritage structures Legal reference: Art. INS Sec. 6-105	5.5	0.0	5.5	5.5
Miscellaneous property tax exemptions. Legal reference: Art. TP Sec. 7-299 Note: Includes property of foreign governments, fairgrounds, solar energy devices, etc.	0.4	0.4	0.4	0.4
Public service company franchise tax credit for rehabilitating historic/heritage structures Legal reference: Art. TG Sec. 8-406		No reliable estimate		
Exemption from the sales tax of sales by State mental hospital gift shops Legal reference: Art. TG Sec. 11-204 Note: There are no gift shops in these institutions	0.0	0.0	0.0	0.0
Exemption from the sales tax of sales by hospital thrift shops Legal reference: Art. TG Sec. 11-204	0.1	0.1	0.1	0.1
Exemption from the sales tax of sales from facilities operated under MD Vending Program for the Blind on military bases Legal reference: Art. TG Sec. 11-204 Note: Expected revenue cost is under \$15,000 annually.		Negligible		
Exemption from the sales tax of sales of US, Maryland & POW/MIA flags Legal reference: Art. TG Sec. 11-205		No reliable estimate		

18. Miscellaneous (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the sales tax of sales of certain "snack" and "healthy" foods sold through vending machines Legal reference: Art. TG Sec. 11-206	7.6	7.9	8.0	8.0
Exemption from the sales tax of sales of water through pipes Legal reference: Art. TG Sec. 11-224	34.7	35.0	35.4	35.7
Miscellaneous motor vehicle registration fee exemptions, including fire and rescue vehicles Legal reference: Art. TR Sec. 13-903	2.4	2.4	2.4	2.4
Credit of vehicle titling tax for out-of-state sales or excise tax paid by persons moving to Maryland Legal reference: Art. TR Sec. 13-809	4.7	4.8	4.9	5.1
Excluding the value of trade-ins Legal reference: Art. TR Sec. 13-810	93.4	110.2	115.7	121.5
Exemption from the transfer tax for judgments, orders of satisfaction or participation agreements Legal reference: Art. TP Sec. 13-207			No reliable estimate	
Exemption from transfer tax for land installment contracts, options to purchase real property, or short term leases Legal reference: Art. TP Sec. 13-207			No reliable estimate	
Estate tax exclusion - conservation easements Legal reference: Art. TG Sec. 7-203			No reliable estimate	
Total:	352.4	384.6	413.8	432.8

III. Incidental Tax Expenditures

1. Administrative Exemptions

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Corporate income tax subtraction for state or local income tax refunds Legal reference: Art. TG Sec. 10-307		No reliable estimate		
Personal income tax subtraction for taxable refunds Legal reference: Art. TG Sec. 10-207	55.7	56.2	56.8	57.6
Exemption from the alcoholic beverages excise tax for small quantities brought into the state for personal use Legal reference: Art. TG Sec. 5-104		No reliable estimate		
Exemption from the inheritance tax for bequests under \$1,000 Legal reference: Art. TG Sec. 7-203		No reliable estimate		
Exemption from the sales tax for sales through bulk vending machines. Legal reference: Art. TG Sec. 11-201	1.0	1.1	1.1	1.2
Exemption from the sales tax of casual and isolated sales Legal reference: Art. TG Sec. 11-209		No reliable estimate		
Exemption from the tobacco tax for cigarettes brought into the state in small quantities Legal reference: Art. TG Sec. 12-104		No reliable estimate		
Exemption from the tobacco tax for other tobacco products brought into the state in small quantities Legal reference: Art. TG Sec. 12-104		No reliable estimate		
Total:	56.7	57.3	57.9	58.7

2. Double Taxation	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the boat tax of vessels titled to a licensed dealer for resale, rental, or leasing purposes Legal reference: Art. NR Sec. 8-716	0.5	0.5	0.6	0.7
Corporate income tax subtraction for gross receipts subject to the public service company franchise tax Legal reference: Art. TG Sec. 10-307		No reliable estimate		
Personal income tax subtraction for Keogh Plan withdrawals taxed at time of deposit Legal reference: Art. TG Sec. 10-207		No reliable estimate		
Personal income tax subtraction for distributions of income when tax was paid by a fiduciary Legal reference: Art. TG Sec. 10-207		No reliable estimate		
Personal income tax credit for tax paid to another state Legal reference: Art. TG Sec. 10-703	229.6	232.9	236.4	245.2
Exemption from the sales tax of separately-stated sales subject to the admissions & amusement tax Legal reference: Art. TG Sec.11-101	0.2	0.2	0.2	0.2
Exemption from the sales tax for expense reimbursement while providing taxable detective services Legal reference: Art. TG Sec. 11-101	0.2	0.2	0.2	0.2
Exemption from the sales tax of admissions subject to the admissions & amusement tax Legal reference: Art. TG Sec. 11-221	66.8	67.5	68.2	68.8

2. Double Taxation (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the sales tax of certain communications services subject to the federal excise tax Legal reference: Art. TG Sec. 11-221	78.1	77.3	77.7	79.8
Exemption from the sales tax of motor fuels subject to the motor fuel or motor carrier tax Legal reference: Art. TG Sec. 11-221	586.3	641.9	619.0	628.2
Exemption from the sales tax of motor vehicles, except house or office trailers, subject to the motor vehicle excise tax Legal reference: Art. TG Sec. 11-221	688.3	742.6	797.7	858.5
Exemption from the sales tax of trade-in allowance when leasing a vehicle Legal reference: Art. TG Sec. 11-221	0.4	0.4	0.4	0.4
Exemption from the sales tax of long-term motor vehicle leases Legal reference: Art. TG Sec. 11-221	20.9	22.2	22.7	23.3
Exemption from the sales tax of the rental of motion pictures subject to the admissions & amusement tax Legal reference: Art. TG Sec. 11-221		No reliable estimate		
Exemption from the sales tax of sales of vessels subject to the boat excise tax Legal reference: Art. TG Sec. 11-221	11.5	18.6	20.5	22.5
Exemption from the sales tax of sales of materials taxed under other laws Legal reference: Art. TG Sec. 11-221		No reliable estimate		
Exemption from the titling tax of mobile homes over 35 ft. Legal reference: Art. TR Sec. 13-810 Note: Mobile homes over 35 ft., when installed on sites, are taxed as real property.		No reliable estimate		

2. Double Taxation (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the titling tax of vehicles purchased for short-term rental purposes Legal reference: Art. TR Sec. 13-810	54.1	52.4	52.3	54.4
Exemption from the titling tax for leased vehicles purchased by the lessee Legal reference: Art. TR Sec. 13-810		No reliable estimate		
Exemption from the titling tax for vehicles transferred into an inter vivos trust if transferor is the beneficiary Legal reference: Art. TR Sec. 13-810		No reliable estimate		
Exemption from the transfer tax for transfers of supplemental, previously recorded instruments or deeds for prior contract of sale Legal reference: Art. TP Sec. 13-207		No reliable estimate		
Total:	1,736.9	1,856.7	1,895.9	1,982.2

3. Reciprocal Exemptions

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Credit against the boat tax for excise tax paid in another state by commercial fishers Legal reference: Art. NR Sec. 8-716	0.1	0.2	0.2	0.2
Reciprocal exemption from inheritance tax for personal property of nonresident decedents Legal reference: Art. TG Sec. 7-203	No reliable estimate			
Refund of fuel tax for fuel taxed in another state Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	5.3	5.4	5.4	5.4
Exemption from the fuel tax for fuel sold for export from the state Legal reference: Art. TG Sec. 9-303 Note: 9.6% of this would be distributed to local governments in FY 2014.	38.4	38.7	38.9	39.3
Exemption from the sales tax of sales to certain out-of-state non-profit organizations Legal reference: Art. TG Sec. 11-204	No reliable estimate			
Sales tax exemption for sales of tangible personal property to nonprofit organizations for use in another state Legal reference: Art. TG Sec. 11-216 Note: Revenue loss is included in exemptions under TG Sec. 11-204.	No reliable estimate			
Exemption from the sales tax of sales of items taxed in another state Legal reference: Art. TG Sec. 11-221 Note: Exemption may be constitutionally required.	No reliable estimate			

3. Reciprocal Exemptions (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Reciprocal exemption from registration fees for out-of-state law enforcement vehicles Legal reference: Art. TR Sec. 13-903 Note: Included in miscellaneous and other registration fee exemptions, all of which are estimated to be \$2.4 million in FY 2014.	No reliable estimate			
Reciprocal exemption from the titling tax for out-of-state law enforcement vehicles Legal reference: Art. TR Sec. 13-810	No reliable estimate			
Total:	43.9	44.2	44.5	45.0

4. Fuel Used for Non-transportation Purposes

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Partial refund of fuel tax for fuel delivery vehicles Legal reference: Art. TG Sec. 13-901		No reliable estimate		
Partial refund of fuel tax on concrete mixers. Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	0.4	0.4	0.4	0.4
Partial refund of fuel tax on fuel used by solid waste compactors Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	0.2	0.2	0.2	0.2
Partial refund of fuel tax used by well drillers. Legal reference: Art. TG Sec. 13-901		No reliable estimate		
Partial refund of fuel used by agricultural spreaders Legal reference: Art. TG Sec. 13-901		No reliable estimate		
Refund of fuel tax for fuel used in engines installed permanently at fixed locations Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	1.5	1.5	1.5	1.5
Refund of fuel tax on fuel lost in fire or collision. Legal reference: Art. TG Sec. 13-901		No reliable estimate		
Refund of fuel tax paid for fuel used for commercial purposes other than operation of motor vehicles on public highways Legal reference: Art. TG Sec. 13-901 Note: Principally for marine uses; of this total, 9.6% would be distributed to local governments in FY 2014.	0.1	0.1	0.1	0.1
Total:	2.2	2.2	2.2	2.2

5. Governments	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the boat tax of vessels purchased by the State or its subdivisions Legal reference: Art. NR Sec. 8-716	0.1	0.0	0.0	0.0
Excise tax exemption for alcoholic beverage sales on federal reservations Legal reference: Art. TG Sec. 5-104	0.1	0.1	0.1	0.1
Personal income tax subtraction for dividends and interest from U.S. obligations Legal reference: Art. TG Sec. 10-207 Note: Local effect is \$13 million in FY 2014.	16.7	17.0	18.9	21.0
Corporate income tax subtraction for interest on US government obligations Legal reference: Art. TG Sec. 10-307	3.9	4.4	5.2	5.5
Exemption from the inheritance tax for property passing to the State or its subdivisions Legal reference: Art. TG Sec. 7-203	No reliable estimate			
Refund of fuel tax for fuel used by the federal government Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	0.6	0.6	0.6	0.6
Refund of fuel tax for fuel used to operate local government bus systems Legal reference: Art. TG Sec. 13-901 Note: 9.6% of this would be distributed to local governments in FY 2014.	1.0	1.0	1.0	1.0
Exemption from the fuel tax for fuel purchased by the State or its subdivisions Legal reference: Art. TG Sec. 9-303 Note: 9.6% of this would be distributed to local governments in FY 2014.	6.5	6.5	6.6	6.6

5. Governments (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Personal income tax subtraction for employer provided official police/fire vehicles Legal reference: Art. TG Sec. 10-207				No reliable estimate
Personal income tax subtraction for profits on sale of Maryland state or local bonds Legal reference: Art. TG Sec. 10-207				No reliable estimate
Personal income tax subtraction for distributions & dividends from mutual funds attributable to US obligations Legal reference: Art. TG Sec. 10-207				No reliable estimate
Exemption of federal government property from the property tax Legal reference: Art. TP Sec. 7-210,11	13.3	13.3	13.6	13.8
Exemption of local government property from the property tax Legal reference: Art. TP Sec. 7-210,11	35.2	36.1	37.8	40.0
Exemption of state government property from the property tax Legal reference: Art. TP Sec. 7-210,11	15.4	15.5	16.3	17.6
Exemption from the sales tax of sales of government documents, publications, etc. Legal reference: Art. TG Sec. 11-215	3.8	4.1	4.2	4.3
Exemption from the sales tax of sales to the State and its subdivisions Legal reference: Art. TG Sec. 11-220	362.1	385.7	394.3	403.4
Exemption from the sales tax of sales of testing equipment to be transferred to the federal government Legal reference: Art. TG Sec. 11-222				No reliable estimate

5. Governments (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Exemption from the sales tax of sales of buses for use in public transportation systems Legal reference: Art. TG Sec. 11-223	1.3	1.3	1.3	1.3
Exemption from registration fees of vehicles owned by the federal, State, or local governments Legal reference: Art. TR Sec. 13-903	8.3	8.1	8.2	8.3
Exemption from the titling tax of vehicles owned by the federal government Legal reference: Art. TR Sec. 13-102			No reliable estimate	
Exemption from the titling tax of vehicles owned by the State & its subdivisions Legal reference: Art. TR Sec. 13-810			No reliable estimate	
Exemption from the titling tax of vehicles owned by the US and used in an investigation Legal reference: Art. TR Sec. 13-810			No reliable estimate	
Exemption from the transfer tax of transfers to governments or public agencies Legal reference: Art. TP Sec. 13-207			No reliable estimate	
Total:	468.3	493.7	508.0	523.4

Detail of Tax Expenditures

By Tax

Fiscal Years 2011 – 2014

ALCOHOLIC BEVERAGE TAX

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Legal reference : Art. TG Sec. 5-104				
Exemption from the excise tax for:				
Small quantities of alcoholic beverages brought to the state for personal use		No reliable estimate		
Family-produced wine for personal use or entry into an exhibition		No reliable estimate		
Alcoholic beverage sales on federal reservations	0.1	0.1	0.1	0.1
Alcoholic beverages sold or delivered in the course of interstate commerce		No reliable estimate		
Wine or spirits bought by a hospital for medicinal purposes		No reliable estimate		
Alcoholic beverages under non-beverage permit	0.1	0.1	0.1	0.1
Wine bought by a religious organization for sacramental purposes		No reliable estimate		
Total: State General Funds	0.2	0.2	0.2	0.2
<i>Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:</i>				
Alcoholic beverage sales on federal reservations	-0.1	-0.1	-0.1	-0.1
<i>Total on page iv:</i>	0.1	0.1	0.1	0.1

EXCISE TAX ON VESSELS

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. NR Sec. 8-716				
Exemption from the boat tax for:				
Excludes the value of trade-ins	0.5	1.1	1.3	1.4
Vessels purchased by charitable organizations		Negligible		
Note: Estimated at less than \$30,000 annually.				
Vessels purchased by State or its subdivisions	0.1	0.0	0.0	0.0
Vessels titled to a licensed dealer for resale, rental, or leasing purposes	0.5	0.5	0.6	0.7
Miscellaneous boat tax exemptions	0.2	0.1	0.1	0.1
Credit against the boat tax for:				
Excise tax paid in another state by commercial fishers	0.1	0.2	0.2	0.2
Total: State Special Funds	1.5	2.0	2.2	2.4
<i>Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:</i>				
Vessels purchased by the State or its subdivisions	-0.1	0.0	0.0	0.0
Vessels titled to a licensed dealer for resale, rental, or leasing purposes	-0.5	-0.5	-0.6	-0.7
Excise tax paid in another state	-0.1	-0.2	-0.2	-0.2
Total on page iv:	0.8	1.3	1.4	1.5

CORPORATION INCOME TAX

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-307				
Corporate income tax subtractions for:				
Dividends for domestic corporations claiming foreign tax credits	16.8	19.0	22.5	23.6
Dividends from affiliated domestic international sales corporations		No reliable estimate		
Dividends of related foreign corporations	34.1	38.6	45.7	48.0
Gross receipts subject to the public service company franchise tax		No reliable estimate		
Interest on U.S. obligations	3.9	4.4	5.2	5.5
Profit on sale or exchange of Maryland state or local bonds		No reliable estimate		
Income from State relocation and assistance payments		No reliable estimate		
State or local income tax refunds		No reliable estimate		
State tax-exempt interest from mutual funds		No reliable estimate		
Legal reference: Art. TG Sec. 10-308				
Corporate income tax subtractions for:				
Conservation tillage equipment		No reliable estimate		
Reforestation or timber stand improvement expenses		No reliable estimate		
Wage expenses disallowed under federal targeted jobs credit		No reliable estimate		
Cost of manure spreading equipment		No reliable estimate		
Elevator handrails in health care facilities		No reliable estimate		
Exempt-interest dividends paid by regulated investment companies		No reliable estimate		
Delaware Holding Company' (DHL) subtraction	15.1	17.1	20.2	21.2
Various subtraction modifications not separately estimated	62.7	70.9	83.9	88.1

CORPORATION INCOME TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-309				
Gain/loss adjustment on utility company stranded costs	0.0	0.0	0.0	0.0
Note: Subtraction last claimed in TY03 at \$8.6 million.				
Legal reference: Art. TG Sec. 10-702				
Corporate income tax credits for:				
Enterprise zone - credit for wages paid	0.3	0.3	0.3	0.3
Legal reference: Art. TG Sec. 10-704				
Credit for purchase of Maryland-mined coal	0.0	0.0	0.0	0.0
Note: Corporations take all credits against franchise tax.				
Credit for wages paid to qualified employees (Job Creation Tax Credit)	0.6	0.6	0.6	0.6
Note: Sunsets January 1, 2020.				
Credit for rehabilitating historic/heritage structures	1.5	3.6	0.6	3.5
Note: Initial credits may not be issued after June 30, 2014.				
Credit for neighborhood and community assistance contributions	0.3	0.3	0.3	0.3
Credit for wages/child care/transportation for employees with disabilities	0.0	0.0	0.0	-
Note: Sunsets June 30, 2013.				
Credit for businesses that create new jobs	1.0	1.0	1.1	1.1
Credit for commercial fertilizer costs	0.0	0.0	-	-
Note: No credits ever claimed. Repealed effective July 1, 2012.				
Credit for employing qualified ex-felons	0.0	0.0	-	-
Note: Repealed effective July 1, 2012.				
Legal reference: Art. TG Sec. 10-708				
Credit for 60% of certain property taxes paid by a telecommunications company	10.5	10.5	-	-
Note: Repealed effective June 1, 2012.				

CORPORATION INCOME TAX (Continued)

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Legal reference: Art. TG Sec 10-710 Credit for employer-paid long-term care insurance premiums Note: Less than \$6,000 annually claimed to date.		Negligible		
Legal reference: Art. TG Sec. 10-711 Credit for student work-based learning programs Note: Sunsets June 30, 2013.	0.1	0.1	0.1	-
Legal reference: Art. TG Sec 10-713 Credit for 25% of wages paid to employees of multijurisdictional electric Note: Repealed effective July 1, 2012.	0.0	0.0	-	-
Legal reference: Art. TG Sec 10-714 Credit for One Maryland project/start-up costs.	7.3	8.9	10.1	10.9
Legal reference: Art. TG Sec 10-715 Credit for employer-provided commuter benefits	0.3	0.3	0.3	0.3
Legal reference: Art. TG Sec 10-719 Credit for costs of solar water heating or photovoltaic property placed in service Note: Repealed effective July 1, 2012.	0.0	0.0	-	-
Legal reference: Art. TG Sec 10-720 Credit for electricity produced from certain qualified energy resources Note: Authorized to award a total of \$25 million through December 31, 2015.	0.0	0.1	0.1	0.1

CORPORATION INCOME TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec 10-721				
Credit for qualified R&D expenses	6.0	6.0	6.0	8.0
Note: Sunsets June 30, 2021. Maximum authorized annual credit: \$6 million FY 2011 - 2013. Proposed FY 2014 appropriation of \$8 million.				
Legal reference: Art. TG Sec 10-722				
Credit for "green buildings" construction & rehabilitation costs	0.1	0.5	0.5	0.5
Legal reference: Art. TG Sec. 10-725				
Credit for biotechnology Investment	0.6	0.7	0.7	0.9
Note: Credit split between corporate and individual income tax. Cost depends on appropriation: \$8 million for FY 2011 - 2013. Proposed FY 2014 appropriation of \$10 million.				
Legal reference: Art. TG Sec. 10-726				
Credit for cellulosic ethanol technology R&D	0.2	0.2	0.2	0.2
Note: Tax credits could be claimed beginning in tax year 2008. HB 140				
Legal reference: Art. TG Sec 10-727				
Credit for bio-heating oil for use in space or water heating	0.3	0.3	0.3	0.3
Note: Sunsets June 30, 2018.				

CORPORATION INCOME TAX (Continued)

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Legal reference: Art. TG Sec 10-728				
Job Creation and Recovery Tax Credit	2.2	0.1	0.1	-
Note: Repealed effective July 1, 2012.				
Legal reference: Art. TG Sec. 10-729				
Credit for electric vehicle recharging equipment	0.0	0.2	0.3	0.3
Legal reference: Art. TG Sec. 10-730				
Credit for qualified film production entities	0.5	3.8	3.8	12.5
Note: Credit split between corporate and individual income tax. This credit had been a rebate until HB 672 (2011). Proposed FY 2014 appropriation of \$25 million.				
Legal reference: Art. TG Sec. 10-731				
Credit for practitioners in Health Enterprise Zones	-	-	0.1	0.1
Note: Funds for these credits come from the Health Enterprise Reserve Fund.				
Legal reference: Art. TG Sec. 10-732				
Credit for employer costs for security clearance	-	-	-	0.0
Note: Credit applies to tax years 2013 - 2016; however, DBED must certify eligible expenses, thereby delaying credit payments until FY 2015.				
Legal reference: Proposed Art. TG Sec. 10-733				
Credit for cybersecurity Investment	-	-	-	0.3
Note: Credit split between corporate and individual income tax. Proposed in Governor's FY 2014 budget and is subject to legislative approval.				

CORPORATION INCOME TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Total:	164.4	187.6	202.8	226.5
Distribution:				
State General Funds portion due to HEIF law (9.15% of gross revenue)	15.0	17.2	18.6	20.7
State Special Funds - Higher Education Investment Fund (6% of gross revenue)	9.9	11.3	12.2	13.6
Subtotal:	139.5	159.2	172.1	192.2
State General Funds (76% of net after above distribution in FY 2011 - 2012; 90.5% in FY 2013 and 80.5% in FY 2014)	106.0	121.0	155.8	154.7
State Special Funds - Transportation Trust Fund (24% of net after above distribution in FY 2011 - 2012, 9.5% in FY 2013 and 19.5% in FY 2014)	33.5	38.2	16.3	37.5
Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:				
Interest on U.S. Obligations	-3.9	-4.4	-5.2	-5.5
Total on page iv:	160.5	183.2	197.6	221.1
Local Governments (Highway User Revenues)	2.8	3.4	1.6	3.6

INHERITANCE TAXES

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Legal reference: Art. TG Sec. 7-203

Exemption from the inheritance tax for:

Property passed to lineal beneficiaries and siblings	43.7	46.7	46.4	50.8
Bequests under \$1000		No reliable estimate		
Small estates		No reliable estimate		
Death benefits payable to a trust		No reliable estimate		
\$500 for grave maintenance		No reliable estimate		
Life insurance benefits		No reliable estimate		
Property passing to the State or its subdivisions		No reliable estimate		
Reciprocal exemption for personal property of nonresident decedents		No reliable estimate		
Property that passes to qualified nonprofit organizations		No reliable estimate		
Income accrued on probate assets		No reliable estimate		
Estate tax exclusion - Conservation Easements		No reliable estimate		
Property passed to domestic partners Note: Effective FY 2010, SB785 (2009).	1.0	1.0	1.0	1.0
Recovered Holocaust assets		No reliable estimate		

Legal reference: Art. TG Sec. 7-211

Family farms qualifying as farmland		No reliable estimate		
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Legal reference: Art. TG Sec. 7-307

Payment deferral for qualified agricultural property		No reliable estimate		
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Total: State General Funds: **44.6 47.6 47.4 51.7**

MOTOR VEHICLE FUEL TAX

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 13-901				
Fuel tax refunds for:				
Aviation fuel used for agricultural purposes		No reliable estimate		
Fuel used for agricultural purposes	0.1	0.1	0.1	0.1
Aviation fuel dispensed to aircraft by aircraft manufacturing companies located	0.1	0.1	0.1	0.1
Fuel used by Red Cross		No reliable estimate		
Fuel used in fire and rescue vehicles	0.1	0.1	0.1	0.1
Fuel used by U.S. Government	0.6	0.6	0.6	0.6
Fuel used to operate bus systems of local governments	1.0	1.0	1.0	1.0
Partial refund for fuel used by fuel delivery vehicles		No reliable estimate		
Partial refund for fuel used by concrete mixers	0.4	0.4	0.4	0.4
Note: Effective July 1, 2004, includes concrete pump trucks.				
Partial refund for fuel used by solid waste compactors	0.2	0.2	0.2	0.2
Partial refund for fuel used by well drillers		No reliable estimate		
Partial refund for fuel used by agricultural spreaders		No reliable estimate		
Fuel used in engines installed permanently at fixed locations	1.5	1.5	1.5	1.5
Fuel lost in fire or collision		No reliable estimate		
Fuel used for commercial purposes other than operation of motor vehicles on public highways	0.1	0.1	0.1	0.1
Fuel taxed in another state	5.3	5.4	5.4	5.4
Fuel used by state-funded nonprofit transit systems for the elderly, disabled or poor	0.6	0.6	0.6	0.6

MOTOR VEHICLE FUEL TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 9-303				
Exemption from the fuel tax for:				
Fuel bought by State government or local sub-divisions	6.5	6.5	6.6	6.6
Diesel fuel used in vessels	0.1	0.1	0.1	0.1
Fuel sold for export from the state	38.4	38.7	38.9	39.3
Legal reference: Art. TG Sec. 9-305				
One cent/gallon tax reduction for clean-burning fuels			No reliable estimate	
Total:	55.0	55.4	55.7	56.2
Distribution:				
State General Funds	0.0	0.0	0.0	0.0
State Special Funds - Transportation Trust Fund	49.2	49.3	49.0	49.7
State Special Funds - Chesapeake 2010 Fund	1.3	1.3	1.3	1.3
Local Governments (Highway User Revenues)	4.6	4.8	5.4	5.3
<i>Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:</i>				
Fuel used by U.S. Government	-0.6	-0.6	-0.6	-0.6
Fuel used to operate bus systems of local governments	-1.0	-1.0	-1.0	-1.0
Partial refund for fuel used by concrete mixers	-0.4	-0.4	-0.4	-0.4
Partial refund for fuel used by solid waste compactors	-0.2	-0.2	-0.2	-0.2
Fuel used in engines installed permanently at fixed locations	-1.5	-1.5	-1.5	-1.5
Fuel used for commercial purposes other than operation of motor vehicles on public highways	-0.1	-0.1	-0.1	-0.1
Fuel taxed in another state	-5.3	-5.4	-5.4	-5.4
Fuel sold for export from the state	-38.4	-38.7	-38.9	-39.3
Fuel bought by State government or local sub-divisions	-6.5	-6.5	-6.6	-6.6
<i>Total on page iv:</i>	1.0	1.0	1.0	1.0

INDIVIDUAL INCOME TAX

Local loss is roughly 62% of the State loss

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Charitable contributions	195.8	199.7	203.8	206.9
Mortgage interest	545.6	551.1	559.7	566.3
Real estate taxes	186.5	195.0	202.9	209.1
Medical expenses	87.1	91.5	94.9	97.6
Job expenses	94.6	106.7	116.3	124.1
Other itemized deductions	22.0	23.7	24.0	24.2

Legal reference: Art. TG Sec. 10-207

Subtraction modifications for:

Taxable Refunds	55.7	56.2	56.8	57.6
Dividends and interest from U.S. obligations	16.7	17.0	18.9	21.0
Individual federally taxed social security/railroad retirement benefits	159.3	162.0	163.9	165.8
Two-income married couples	40.4	41.6	43.2	44.7
Grants under the Solar and Geothermal Tax Incentive Grant Program	0.7	0.7	0.7	0.7

Note: HB 590 (2007).

INDIVIDUAL INCOME TAX (Continued)

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Miscellaneous subtraction modifications for:

Distribution to a beneficiary of accumulated income on which fiduciary has paid tax				No reliable estimate
Distributions & dividends from mutual funds attributed to US obligations				No reliable estimate
Employer provided official police/fire vehicles				No reliable estimate
Disability payments to police and firefighters				No reliable estimate
Keogh Plan withdrawals taxed at time of deposit				No reliable estimate
Income from emergency services length of service awards				No reliable estimate
Profits on sale of Maryland state or local bonds				No reliable estimate
Relocation & assistance payments				No reliable estimate
Pickup contributions for pension & retirement systems				No reliable estimate
Overseas military pay				No reliable estimate
Military retirement income	4.7	5.6	7.7	10.6
Amounts contributed to prepaid tuition plans				No reliable estimate
Income related to recovered Holocaust assets				No reliable estimate
Other miscellaneous subtractions				No reliable estimate

Legal reference: Art. TG Sec. 10-208

Subtraction modifications for:

Employment-related household & dependent care expenses	27.2	26.3	24.9	23.6
Adoption expenses for special-needs children				No reliable estimate
Expenses of providing human or mechanical readers for blind persons				No reliable estimate

INDIVIDUAL INCOME TAX (Continued)

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Miscellaneous subtraction modifications for:				
Cost of installing handrails in certain medical facilities		No reliable estimate		
Conservation tillage equipment expenses		No reliable estimate		
Artwork donated by professional artists		No reliable estimate		
Donated farm products		No reliable estimate		
Reforestation or timber stand expenses		No reliable estimate		
\$3,500 in income of qualifying volunteer emergency service personnel	2.0	2.0	2.0	2.0
Certain gross income of child included in parents income		No reliable estimate		
Unreimbursed mileage of certain volunteers		No reliable estimate		
Salary or wage expenses for targeted jobs		No reliable estimate		
Expense to buy poultry/livestock manure spreader equipment		No reliable estimate		
Contributions to investment accounts	2.6	3.8	4.8	4.8
Note: Applies to the Maryland College Investment Plan and to the Maryland Broker-Dealer College Investment Plan. Capped at \$2,500 per beneficiary.				
Personal income tax subtraction for certain sewage disposal systems.	0.2	0.3	0.1	0.1
Note: Fiscal effect starts in FY 2010, SB785 (2009).				
Conservation and management program expenses	-	-	Negligible	
Note: Begins in FY 2013.				
Legal reference: Art. TG Sec. 10-209				
Subtraction modifications for:				
Pension income	134.6	141.6	143.0	144.4

INDIVIDUAL INCOME TAX (Continued)

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Legal reference: Art. TG Sec. 10-211				
Personal Exemptions:				
Additional exemptions for the blind and elderly	17.7	18.0	18.2	18.3
Personal Exemptions	620.6	626.8	581.4	603.8
Legal reference: Art. TG Sec. 10-217				
Standard Deduction:				
Standard Deduction	122.7	126.1	128.6	131.2
Tax Credits:				
Legal reference: Art. TG Sec. 10-702				
Wages paid in enterprise zone	0.4	0.4	0.4	0.4
Legal reference: Art. TG Sec. 10-703				
Taxes paid by resident to another state	229.6	232.9	236.4	245.2

INDIVIDUAL INCOME TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-704				
Non-Refundable Earned Income Tax Credit	76.4	76.3	76.0	78.8
Refundable Earned Income Tax Credit	152.9	157.2	157.0	162.8
Note: State credit is refundable in certain cases.				
Credit for purchase of Maryland-mined coal	0.0	0.0	0.0	0.0
Note: Corporations take all credits against franchise tax.				
Credit for expenses of hiring qualified low income employees	0.0	0.0	-	-
Note: Cannot be claimed after tax year 2012.				
Credit for wages paid to qualified employees (Job Creation Tax Credit)	0.1	0.1	0.1	0.5
Note: Sunsets January 1, 2020.				
Credit for rehabilitating historic/heritage structures	3.2	4.3	4.2	4.2
Note: Initial credits may not be issued after June 30, 2014.				
Credit for neighborhood and community assistance contributions	1.1	1.0	1.0	1.0
Credit for wages/child care/transportation for employees with disabilities	Included in Corporate Income Tax			-
Note: Sunsets June 30, 2013.				
Credit for businesses that create new jobs	Included in Corporate Income Tax			
Credit for commercial fertilizer costs	0.0	0.0	-	-
Note: No credits ever claimed. Repealed effective July 1, 2012.				
Credit for employing qualified ex-felons	0.1	0.0	-	-
Note: Repealed effective July 1, 2012.				
Legal reference: Art. TG Sec. 10-707				
Credit for property tax paid on owner-occupied residences in specified neighborhoods	0.2	0.2	0.2	0.2

INDIVIDUAL INCOME TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-708				
Credit for certain property taxes paid by a telecommunications business	0.0	0.0	-	-
Note: Repealed effective July 1, 2012. Credit was not claimed by individual income taxpayers.				
Legal reference: Art. TG Sec. 10-709				
Credit for earnings of certain low income taxpayers	4.7	4.7	4.6	4.8
Legal reference: Art. TG Sec. 10-711				
Credit for student work-based learning programs.		Negligible		-
Note: Less than \$25,000 claimed annually. Sunsets June 30, 2013.				
Legal reference: Art. TG Sec. 10-714				
Credit for One Maryland project/start-up costs.	3.6	3.7	3.8	3.9
Legal reference: Art. TG Sec. 10-715				
Credit for cost of providing employee commuter benefits	0.1	0.1	0.1	0.1
Legal reference: Art. TG Sec. 10-716				
Credit for child and dependent care expenses	4.9	4.7	4.7	4.9
Legal reference: Art. TG Sec. 10-717				
Credit for expenses for classroom teacher advanced education	7.5	7.1	7.2	7.5

<u>INDIVIDUAL INCOME TAX (Continued)</u>	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-718 Credit for eligible long-term care premiums	2.8	3.3	3.3	3.4
Legal reference: Art. TG Sec. 10-719 Credit for costs of solar water heating or photovoltaic property placed in service Note: Repealed effective July 1, 2012.	0.0	0.0	-	-
Legal reference: Art. TG Sec. 10-720 Credit for electricity produced from qualified energy resources Note: credits now being claimed. Refundable as of 2010. Tax year figures converted to fiscal year estimates.	0.6	1.0	1.6	2.4
Legal reference: Art. TG Sec. 10-721 Credit for qualified R&D expenses Note: Sunsets July 1, 2021.		Negligible		
Legal reference: Art. TG Sec. 10-722 Credit for "green buildings" construction & rehabilitation costs	0.3	0.4	0.4	0.6
Legal Reference: Art. TG Sec. 10-723 Credit for easements conveyed to the MD Environmental Trust or MD Ag Land Preservation Foundation	1.0	1.0	1.0	1.0
Legal reference: Art. TG Sec. 10-724 Credit for up to \$500 for the purchase of aquaculture oyster floats	0.2	0.2	0.2	0.2

INDIVIDUAL INCOME TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-725				
Credit for biotechnology investment	5.4	7.3	7.3	9.1
Note: Credit split between corporate and individual income tax. Cost depends on appropriation: \$8 million for FY 2011 - 2013. Proposed FY 2014 appropriation of \$10 million.				
Legal reference: Art. TG Sec. 10-726				
Credit for cellulosic ethanol technology R&D	0.1	0.1	0.1	0.1
Note: Tax credits claims began in tax year 2008.				
Legal reference: Art. TG Sec. 10-727				
Credit for bio-heating oil for use in space or water heating			Negligible	
Note: Effective July 1, 2008. Sunsets June 30, 2018.				
Legal reference: Art. TG Sec. 10-728				
Job Creation and Recovery Tax Credit	6.5	0.4	0.2	-
Note: Repealed effective July 1, 2012.				
Legal reference: Art. TG Sec. 10-729				
Credit for electric vehicle recharging equipment	0.0	0.2	0.3	0.3
Legal reference: Art. TG Sec. 10-730				
Credit for qualified film production entities	0.5	3.8	3.8	12.5
Note: Credit split between corporate and individual income tax. This credit had been a rebate until HB 672 (2011). Proposed FY 2014 appropriation of \$25 million.				

INDIVIDUAL INCOME TAX (Continued)	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 10-731				
Credit for practitioners in Health Enterprise Zones	-	-	0.1	0.1
Note: Funds for these credits come from the Health Enterprise Reserve Fund.				
Legal reference: Art. TG Sec. 10-732				
Credit for employer costs for security clearance	-	-	-	0.0
Note: Credit applies to tax years 2013 - 2016; however, DBED must certify eligible expenses, thereby delaying credit payments until FY 2015.				
Legal reference: Proposed Art. TG Sec. 10-733				
Credit for cybersecurity investment	-	-	-	2.7
Note: Credit split between corporate and individual income tax. Proposed in Governor's FY 2014 budget and is subject to legislative approval.				
Miscellaneous Provisions:				
Legal reference: Art. TG Sec. 13-908				
Abatement of income tax for U.S. military/civilian employees killed as a result of combat or terrorism			Negligible	
Note: Less than \$30,000 annually claimed to date.				
Total: State General Funds	2,839.1	2,905.8	2,909.5	3,003.5
<i>Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:</i>				
Structural Tax Expenditures	-743.3	-752.8	-709.9	-734.9
Taxable Refunds	-55.7	-56.2	-56.8	-57.6
Dividends and interest on U.S. Obligations	-16.7	-17.0	-18.9	-21.0
Taxes paid by resident to another state	-229.6	-232.9	-236.4	-245.2
Total on page iv:	1,793.7	1,846.8	1,887.4	1,944.9

INSURANCE PREMIUM TAX

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Exemptions from the tax for:				
Legal reference: INS Sec. 6-101				
Premiums for non-profit health service plans	26.6	26.9	27.5	28.1
Note: Non-profit health service plans pay at least 2% of premiums to support specific state projects (for example, the Senior Prescription Drug Assistance Program) in lieu of premium tax payments.				
Premiums for non-profit health maintenance organizations	1.2	1.2	1.3	1.3
Note: Non-profit health maintenance organizations pay at least 2% of premiums to the Medical Assistance Program Account.				
Premiums for for-profit health maintenance organizations	71.7	72.9	74.0	75.1
Note: For-profit HMOs are assessed a 2% premium tax which goes directly to the Rate Stabilization Fund. However, they do not provide any premium tax revenue to the general fund.				
Premium for fraternal beneficiary corporations	1.7	1.8	1.9	2.0
Legal reference: Ins. Sec. 6-103				
Annuities	97.6	102.8	107.1	111.5
Tax credits for:				
Legal reference: Art. Ins. Sec. 6-105				
Rehabilitating historic/heritage structures	5.5	0.0	5.5	5.5
Note: all commercial projects limited to \$25m in 2004, then converted to a grant program.				
Expenses for hiring qualified low income employees			No reliable estimate	
Note: Effective for persons hired through June 30, 2006.				
Donations to non-profit neighborhood revitalization projects			No reliable estimate	
Legal reference: Art. Ins. Sec. 6-114				
Job creation	0.6	0.6	0.6	0.6
Note: Applies for employees hired after January 1, 1996.				

INSURANCE PREMIUM TAX (Continued)

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Legal reference: Art. Ins. Sec. 6-115

Expenses for hiring qualified disabled employees

Note: Sunsets June 30, 2013.

No reliable estimate

Legal reference: Art. Ins. Sec. 6-116

Businesses that create new jobs

No reliable estimate

Legal reference: Art. Ins. Sec. 6-117

Expenses for employer-paid long-term care insurance premiums

No reliable estimate

Legal reference: Art. Ins. Sec. 6-118

Expenses for work-based learning programs

Note: Sunsets June 30, 2013. Established in 1998.

No reliable estimate

Legal reference: Art. Ins. Sec. 6-119

Costs associated with One Maryland economic development projects.

Included in Corporate and Individual Income Tax

Legal reference: Art. Ins. Sec. 6-120

Expenses for employer-provided commuter benefits

Note: Average \$61,000 per year between FY 2003 and FY 2008.

Negligible

Total: State General Funds

204.9 206.2 217.8 224.2

MOTOR VEHICLE TITLING TAX

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Legal reference: Art. TR Sec. 13-102

Exemptions from vehicle titling requirement for:

Farm equipment

No reliable estimate

Vehicles owned by U.S.

No reliable estimate

Legal reference: Art. TR Sec. 13-809

Credit of vehicle titling tax for:

Out-of-state sales or excise tax paid by persons moving to Maryland

4.7

4.8

4.9

5.1

Legal reference: Art. TR Sec. 13-810

Exemption from the titling tax for:

Registered passenger buses

No reliable estimate

Registered truck tractors

No reliable estimate

Vehicles owned by state and its subdivisions

No reliable estimate

Vehicles purchased for short-term rental purposes

54.1

52.4

52.3

54.4

Leased vehicles purchased by the lessee

No reliable estimate

Miscellaneous exemptions for:

Red Cross vehicles

No reliable estimate

Mobile homes over 35 feet

No reliable estimate

Buses used for public school transportation

No reliable estimate

Vehicles owned by private schools

No reliable estimate

MOTOR VEHICLE TITLING TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Fire engines and fire department apparatus			No reliable estimate	
Vehicles owned by U.S. and used in an investigation			No reliable estimate	
Buses used for handicapped transportation			No reliable estimate	
Reciprocal exemption from titling tax for out-of-state law enforcement vehicles			No reliable estimate	
School buses owned by religious organizations			No reliable estimate	
Civil Air Patrol vehicles			No reliable estimate	
Vehicles owned by veterans' organizations			No reliable estimate	
Hearing and vision screening vehicles			No reliable estimate	
Vehicles transferred into an inter vivos trust if transferor is the beneficiary			No reliable estimate	
Excluding the value of trade-ins	93.4	110.2	115.7	121.5
Miscellaneous titling tax exemptions			No reliable estimate	
Legal reference: Art. TR Sec. 13-815				
Exemption from the titling tax for:				
Electric vehicles	0.3	1.6	1.9	-
Note: Applies for qualified vehicles titled October 1, 2010 - June 30, 2013. HB 469 (2010).				
Total:	152.5	169.0	174.8	180.9
Distribution:				
State General Funds	35.1	19.1	0.0	0.0
Net State Special Funds - Transportation Trust Fund	104.5	134.9	157.3	163.6
Local Governments (Highway User Revenues)	13.0	15.0	17.5	17.4
Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:				
Vehicles purchased for short-term rental purposes	-54.1	-52.4	-52.3	-54.4
Total on page iv:	98.4	116.6	122.6	126.6

STATE PROPERTY TAX

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Exemptions for property used for or by:				
Legal reference: Art. TP Sec. 7-201				
Nonprofit cemetery and mausoleum property	0.2	0.2	0.2	0.2
Legal reference: Art. TP Sec. 7-202				
Educational uses	4.2	4.5	4.9	5.4
Nonprofit housing for the elderly	0.5	0.6	0.5	0.6
Nonprofit hospitals and health facilities	5.3	5.3	6.8	7.3
Lodges, trade and civic associations, clubs, and other nonprofit organizations	2.2	2.2	2.2	2.4
Note: Includes charitable organizations, church societies & clubs.				
Youth camps	1.1	1.2	1.2	1.3
Note: Additional legal references: TP 7-212, 233.				
Legal reference: Art. TP Sec. 7-203				
The Chesapeake Bay Foundation	0.0	0.0	0.0	0.0
Note: Revenue loss is Less than \$30,000 annually.				
Legal reference: Art. TP Sec. 7-204				
Religious organizations	10.2	10.4	11.4	12.4

STATE PROPERTY TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TP Sec. 7-205 Community water systems				No reliable estimate
Legal reference: Art. TP Sec. 7-206 Continuing care facilities for the aged				No reliable estimate
Legal reference: Art. TP Sec. 7-207 Exclusion of \$15,000 of assessed value for blind and surviving spouses Note: Revenue loss is less than \$40,000 annually.	0.0	0.0	0.0	0.0
Legal reference: Art. TP Sec. 7-208 Disabled veterans and surviving spouses	1.6	1.5	1.6	1.7
Legal reference: Art. TP Sec. 7-209 F.N. for HB114 effective FY07 Volunteer fire companies	0.5	0.5	0.5	0.5
Legal reference: Art. TP Sec. 7-210,11 Federal government property	13.3	13.3	13.6	13.8
Local government property	35.2	36.1	37.8	40.0
State government property	15.4	15.5	16.3	17.6
Property used for heating/cooling of state owned/occupied property Note: No revenue loss; properties potentially affected are already tax exempt.	0.0	0.0	0.0	0.0
Legal reference: Art. TP Sec. 7-214 Historical societies and war memorials	0.3	0.3	0.3	0.3
Legal reference: Art. TP Sec. 7-215 Housing authorities	2.1	2.0	2.0	2.0

STATE PROPERTY TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TP Sec. 7-234 Veterans' organizations	0.1	0.1	0.1	0.1
Legal reference: Art. TP Sec. 7-242 Wind Energy Equipment and Solar energy property Note: Enacted by HB 1171 (2009) for wind, HB 377 (2008) for solar.	0.0	0.0	0.0	0.0
Legal reference: Art. TP Sec. 7-299 Miscellaneous property tax exemptions Note: Includes property of foreign governments, fairgrounds, solar energy devices, etc.	0.4	0.4	0.4	0.4
Legal reference: Art. TP Sec. 7-303 Landing areas at privately owned, public use airports Note: Tax expenditure is under \$5,000 annually.		Negligible		
Legal reference: Art. TP Sec. 9-105 Homestead property tax credit for properties with assessment increases over Note: Local governments forego about 16 times the State credits. See SB 520, HB 199 (2010).	36.1	8.4	2.3	2.3

STATE PROPERTY TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TP Sec. 9-104; Art. TG Sec. TP Sec. 9-102				
Homeowners' Tax Credits	55.6	62.6	60.0	62.3
Renters' Tax Credit	2.4	2.7	2.4	2.4
Legal reference: Art. TP Sec. 9-103				
Urban Enterprise Zone Tax Credit	15.2	16.2	18.8	14.5
Legal reference: Art. ED Sec. 5-105				
BRAC Zone Tax Credit	0.2	0.4	0.8	1.1
Total: State Special Funds	202.2	184.2	184.1	188.3
<i>Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:</i>				
Federal government property	-13.3	-13.3	-13.6	-13.8
Local government property	-35.2	-36.1	-37.8	-40.0
State government property	-15.4	-15.5	-16.3	-17.6
Total on page iv:	138.3	119.4	116.4	117.0

PUBLIC SERVICE CO. FRANCHISE TAX

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Legal reference: Art. TG Sec. 8-401

Exemption for Internet services

No reliable estimate

Tax Credits for:

Legal reference: Art. TG Sec. 8-406

Purchase of MD-mined coal.

4.5 4.5 4.5 6.0

Note: Capped at \$4.5 million for FY 2011 - 2013 and \$6 million for FY 2014.

Phased out in FY 2021, HB 101 (2009).

Rehabilitating historic/heritage structures

No reliable estimate

Legal reference: Art. TG Sec. 8-407

Telephone lifeline service

0.3 0.3 0.3 0.3

Legal reference: Art. TG Sec. 8-411

Job creation

No reliable estimate

Legal reference: Art. TG Sec. 8-412

Donations to non-profit neighborhood revitalization projects

No reliable estimate

Legal reference: Art. TG Sec. 8-413

Expenses for hiring qualified disabled employees

No reliable estimate

Note: Sunsets June 30, 2013.

PUBLIC SERVICE CO. FRANCHISE TAX (Continued)

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Legal reference: Art. TG Sec. 8-415				
Expenses for student work-based learning programs		No reliable estimate		
Note: Less than \$50,000 was claimed annually.				
Expenses for employer-paid long-term care insurance premiums		No reliable estimate		
Legal reference: Art. TG Sec 8-417				
Sales to large industrial customers for production activity	1.5	1.5	1.5	1.5
Legal Reference: Art. TG Sec. 8-214				
Financial institution franchise tax credit for donations to nonprofit neighborhood revitalization projects		No reliable estimate		
Total: State General Funds	6.3	6.3	6.3	7.8

SALES AND USE TAX

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Exemptions or exclusions for:				
Legal reference: Art. TG Sec. 11-101				
"Core value" of used truck parts exchanged for remanufactured parts	0.1	0.1	0.1	0.1
Expense reimbursements while providing taxable detective resources	0.2	0.2	0.2	0.2
Separately-stated Admissions & Amusement tax charges	0.2	0.2	0.2	0.2
Legal reference: Art. TG Sec. 11-104				
40% of the purchase price for retail sales of new mobile homes, HB 810 (1998).	1.2	1.2	1.2	1.2
Legal reference: Art. TG Sec. 11-201				
Sales for agricultural purposes or of agricultural products	160.4	179.3	189.2	195.1
Sales through bulk vending machines	1.0	1.1	1.1	1.2
Legal reference: Art. TG Sec. 11-202				
Cylinder demurrages charges	0.7	0.7	-	-
Note: Repealed effective July 1, 2012				
Legal reference: Art. TG Sec. 11-204				
Sales to cemetery companies		No reliable estimate		
Sales to credit unions	0.3	0.3	0.3	0.3
Sales to charitable organizations	99.1	105.5	107.9	110.4
Sales for fund raising to benefit schools/students	1.2	1.3	1.4	1.4
Sales to educational organizations	11.5	12.3	12.6	12.8
Sales under \$500 to non profit senior citizens' organizations		No reliable estimate		
Sales to fire, rescue, and ambulance companies	1.6	1.7	1.7	1.7

SALES AND USE TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Sales by hospital thrift shops	0.1	0.1	0.1	0.1
Sales by State mental hospital gift shops	0.0	0.0	0.0	0.0
Note: There are no gift shops in these institutions				
Facilities operated under MD Vending Program for the Blind on military bases		Negligible		
Note: Expected revenue cost is under \$15,000 annually.				
Sales to certain out-of-state non-profit organizations		No reliable estimate		
Sales to veteran's organizations	0.1	0.1	0.1	0.1
Note: HB 319 (2012) eliminates termination date.				
Sales to religious organizations	14.2	15.2	15.5	15.8
Sales by religious organizations	4.7	5.0	5.1	5.2
Legal reference: Art. TG Sec. 11-205				
Sales of US, Maryland & POW/MIA flags		No reliable estimate		
Legal reference: Art. TG Sec. 11-206				
Sales of crabs and seafood for consumption off premises	2.5	2.6	2.6	2.6
Sales of food at schools, colleges and universities	23.9	24.8	25.2	25.2
Sales of food for consumption off premises	631.6	656.8	666.3	666.0
Sales of food to support fire, rescue and ambulance companies	0.1	0.1	0.1	0.1
Sales of food on vehicles engaged in interstate commerce		No reliable estimate		
Note: Comptroller believes that such sales would be exempt under the U.S. Constitution.				
Sales of certain "snack" and "healthy" foods sold through vending machines	7.6	7.9	8.0	8.0
Sales of food by religious organizations	8.1	8.4	8.5	8.5

SALES AND USE TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Sales of food to support veterans' organizations	1.7	1.8	1.8	1.9
Food delivered for immediate consumption by a non-profit vendor	0.3	0.3	0.3	0.3
Legal reference: Art. TG Sec. 11-207				
Residential sales of electricity to a non-profit planned retirement community	0.3	0.3	0.3	0.3
Fuel rate adjustment charges on sales of electricity, etc. used in the common areas of residential condominiums	0.6	0.5	0.6	0.6
Residential sales of fuel, electricity, steam, natural or artificial gas, etc.	365.5	374.6	371.5	386.3
Legal reference: Art. TG Sec. 11-208				
Sales of film or tape used in television broadcasting	0.5	0.6	0.6	0.6
Note: One taxpayer involved.				
Sales of marine equipment or machinery for ocean going vessels	0.8	0.8	0.8	0.8
Sales of vehicles used in interstate commerce	15.3	15.1	15.2	15.6
Legal reference: Art. TG Sec. 11-209				
Casual and isolated sales			No reliable estimate	
Certain transfers of business property			No reliable estimate	

SALES AND USE TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 11-210				
Sales of tangible personal property used predominantly in a production activity	94.8	99.9	100.5	103.3
Sales of certain bakery equipment		No reliable estimate		
Note: Probably under \$25,000 annually.				
Sales of machinery and utilities used to produce bituminous concrete	0.3	0.3	0.3	0.3
Sales of machinery and equipment used to produce "Energy Star" windows and entry doors	-	-	0.3	0.3
Note: Effective July 1, 2012, HB 1301 (2012).				
Legal reference: Art. TG Sec. 11-211				
Sales of medicine, medical supplies and health aids	396.9	405.4	409.4	426.6
Legal reference: Art. TG Sec. 11-212				
Sales of wood products and fuel for mining purposes		No reliable estimate		
Sales of diesel fuel used in coal mine reclamation		No reliable estimate		
Note: Less than \$20,000 annually.				
Legal reference: Art. TG Sec. 11-213				
Sale of used mobile homes	0.1	0.3	0.1	0.1
Legal reference: Art. TG Sec 11-214				
Use of nonresident personal property		No reliable estimate		
Sales of precious metal coins or bullion over \$1,000	2.4	2.6	2.7	2.9

SALES AND USE TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 11-215				
Sales and printing of free newspapers	3.4	3.7	3.7	3.8
Sales of out-of-state direct mail advertising materials	4.0	4.3	4.4	4.5
Sales of photographic and artistic materials used in publication	10.6	11.3	11.5	11.8
Sales of government documents, publications, etc.	3.8	4.1	4.2	4.3
Legal reference: Art. TG Sec. 11-216				
Sales of tangible personal property to nonprofit organizations for use in another state.			No reliable estimate	
Note: Revenue loss is included in exemptions under TG Sec. 11-204.				
Legal reference: Art. TG Sec. 11-217				
Certain sales for R&D purposes	21.6	21.4	21.5	22.1
Legal reference: Art. TG Sec. 11-218				
Sales of seafood harvesting equipment	2.5	2.4	2.5	2.5
Sales of fuel or repair parts for commercial vessels			No reliable estimate	
Legal reference: Art. TG Sec. 11-219				
Optional computer software maintenance contracts	6.7	7.2	7.3	7.5
Legal reference: Art. TG Sec. 11-220				
Sales to the State and its political subdivisions	362.1	385.7	394.3	403.4
Legal reference: Art. TG Sec. 11-221				
Long-term motor vehicle leases	20.9	22.2	22.7	23.3
Sales of motor fuel subject to the motor fuel or motor carrier tax	586.3	641.9	619.0	628.2

SALES AND USE TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Sales of motor vehicles, except house/office trailers, subject to the motor vehicle excise tax	688.3	742.6	797.7	858.5
Trade-in allowance against motor vehicle excise tax	0.4	0.4	0.4	0.4
Sales of admissions subject to the Admissions & Amusement tax	66.8	67.5	68.2	68.8
Sales of materials taxed under other laws		No reliable estimate		
Sales of vessels subject to the boat excise tax	11.5	18.6	20.5	22.5
Sales of certain communications services subject to the federal excise tax	78.1	77.3	77.7	79.8
Sales of rentals of motion pictures subject to the Admissions & Amusement tax		No reliable estimate		
Sales of items taxed in another state		No reliable estimate		
Note: Exemption may be constitutionally required.				
Legal reference: Art. TG Sec. 11-222				
Sales of testing equipment to be transferred to U.S. Government		No reliable estimate		
Legal reference: Art. TG Sec. 11-223				
Sales of buses for use in public transportation systems	1.3	1.3	1.3	1.3
Legal reference: Art. TG Sec. 11-224				
Sales of water through pipes	34.7	35.0	35.4	35.7

SALES AND USE TAX (Continued)

	Millions of Dollars			
	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 11-225 Sales of certain computer programs	2.4	2.3	2.4	2.4
Legal reference: Art. TG Sec. 11-226 Sales of certain energy efficient appliances Sales of multifuel pellet stoves designed to burn agricultural field corn Note: expected to cost about \$25,000 annually.		No reliable estimate No reliable estimate		
Legal reference: Art. TG Sec. 11-227 Sales of property or services used in film production activity	0.4	1.9	1.2	1.2
Legal reference: Art. TG Sec. 11-228 Back to school clothing and footwear tax free period	9.6	10.1	10.6	11.2
Legal reference: Art. TG Sec. 11-229 Sales of power to operate machinery used to produce snow for commercial purposes Note: Probably under \$10,000 annually.		No reliable estimate		
Legal reference: Art. TG Sec. 11-230 Sales of geothermal, wind or solar energy equipment	0.2	0.3	0.3	0.4

SALES AND USE TAX (Continued)

Millions of Dollars

	FY 11	FY 12	FY 13	FY 14
Legal reference: Art. TG Sec. 11-231				
Sales of space at Corporate Training Centers	0.4	0.4	0.4	0.4
Note: Tax exempt per HB 855 (2010).				
Total:	3,765.9	3,989.1	4,059.0	4,190.4
Distribution:				
State General Funds	3,566.3	3,989.1	4,059.0	4,190.4
State Special Funds - Transportation Trust Fund	199.6	0.0	0.0	0.0
<i>Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:</i>				
Expense reimbursements while providing taxable detective resources	-0.2	-0.2	-0.2	-0.2
Sales through bulk vending machines	-1.0	-1.1	-1.1	-1.2
Separately-stated Admissions & Amusement tax charges.	-0.2	-0.2	-0.2	-0.2
Sales of admissions subject to the Admissions & Amusement tax	-66.8	-67.5	-68.2	-68.8
Sales of government documents, publications, etc.	-3.8	-4.1	-4.2	-4.3
Sales to the State and its political subdivisions	-362.1	-385.7	-394.3	-403.4
Long-term motor vehicle leases	-20.9	-22.2	-22.7	-23.3
Sales of motor fuel subject to the motor fuel or motor carrier tax	-586.3	-641.9	-619.0	-628.2
Sales of motor vehicles, except house/office trailers, subject to motor	-688.7	-742.9	-798.1	-858.9
Sales of vessels subject to the boat excise tax	-11.5	-18.6	-20.5	-22.5
Sales of certain communications services subject to the federal excise tax	-78.1	-77.3	-77.7	-79.8
Sales of buses for use in public transportation systems	-1.3	-1.3	-1.3	-1.3
<i>Total on page iv:</i>	1,945.0	2,026.1	2,051.5	2,098.3

TOBACCO TAX

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Legal Reference: Art. TG Sec. 12-104

Exemption from the tobacco tax for:

Cigarettes brought into the state in small quantities

No reliable estimate

Other tobacco products brought into the state in small quantities

No reliable estimate

Cigarettes for sale at post exchanges and commissaries

No reliable estimate

Other tobacco products for sale at post exchanges and commissaries

No reliable estimate

Total

MOTOR VEHICLE REGISTRATION FEES

Millions of Dollars

	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Legal reference: Art. TR Sec. 13-903				
Exemption from registration fees for:				
Vehicles owned by U.S., State, or local governments	8.3	8.1	8.2	8.3
Fire and rescue vehicles	Included in Miscellaneous Exemptions			
Vehicles owned by disabled veterans	Negligible			
Note: Under \$50,000 annually.				
American Legion's "40-8 box car"	No reliable estimate			
Vehicles owned by the Red Cross	No reliable estimate			
Fire buff canteen wagons	No reliable estimate			
Reciprocal exemptions for out-of-state law enforcement vehicles	No reliable estimate			
School vehicles owned by religious organizations	No reliable estimate			
Civil Air Patrol vehicles	No reliable estimate			
Vehicles owned by veterans' organizations	No reliable estimate			
Miscellaneous motor vehicle registration fee exemptions, including fire and rescue vehicles	2.4	2.4	2.4	2.4
Total:	10.7	10.5	10.6	10.7
Distribution:				
State General Funds	2.5	1.2	0.0	0.0
Net State Special Funds - Transportation Trust Fund	7.3	8.4	9.5	9.7
Local Governments (Highway User Revenues)	1.0	0.9	1.1	1.0
Total on page iv, Statistical Summary of Categorical Tax Expenditures by Tax, excludes the following:				
Vehicles owned by U.S., State, or local governments	-8.3	-8.1	-8.2	-8.3
Total on page iv:	2.4	2.4	2.4	2.4

PROPERTY TRANSFER TAX

Millions of Dollars

FY 11 FY 12 FY 13 FY 14

Legal reference: Art. TP Sec. 13-203

Exemptions from state transfer tax for:

Tax rate halved for first time Maryland home buyers	9.1	9.3	10.6	12.6
Miscellaneous property tax exemptions		No reliable estimate		

Legal reference: Art. TP Sec. 12-108 and 13-107

Exemptions from state transfer tax for:

Transfers made from estates with no consideration and to and from trusts		No reliable estimate		
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Legal reference: Art. TP Sec. 13-207

Conversions of foreign entities to LLCs		No reliable estimate		
Corporate or partnership conveyances		No reliable estimate		
Mergers, consolidations or transfers from partnerships to LLCs		No reliable estimate		
Transfers of corporate property between related corporations		No reliable estimate		
Transfers upon conversion of joint ventures or sole proprietorships to an LLC		No reliable estimate		
Transfers of supplemental, previously recorded instruments/deeds for prior contract of sale		No reliable estimate		
Transfers between spouses, former spouses or relatives		No reliable estimate		
Transfers to governments or public agencies		No reliable estimate		
Transfers for cooperative housing corporations		No reliable estimate		
Judgments, orders of satisfaction or participation agreements		No reliable estimate		
Land installment contracts, options to purchase real prop or short-term leases		No reliable estimate		
Transfers between domestic partners, former domestic partners or relatives		No reliable estimate		

Total: State Special Funds

9.1 9.3 10.6 12.6