

BY repealing

Article – Commercial Law
Section 14–2002 and 14–2007
Annotated Code of Maryland
(1990 Replacement Volume and 1994 Supplement)

BY adding to

Article – Commercial Law
Section 14–2002 and 14–2007 through 14–2010
Annotated Code of Maryland
(1990 Replacement Volume and 1994 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation
Section 11–127.1
Annotated Code of Maryland
(1992 Replacement Volume and 1994 Supplement)

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

Article – Commercial Law

14–2001.

(a) In this subtitle the following words have the meanings indicated.

(B) (1) “ADJUSTED CAPITALIZED COST” MEANS THE AMOUNT WHICH SERVES AS THE BASIS FOR DETERMINING THE BASE LEASE PAYMENT, COMPUTED BY SUBTRACTING FROM THE CAPITALIZED COST ANY CAPITALIZED COST REDUCTION.

(2) “ADJUSTED CAPITALIZED COST” IS AMORTIZED DURING THE LEASE TERM TO THE ESTIMATED RESIDUAL VALUE BY THE APPLICATION OF A PORTION OF EACH SCHEDULED LEASE PAYMENT.

(C) (1) “CAPITALIZED COST” MEANS THE AMOUNT WHICH, WHEN REDUCED BY THE AMOUNT OF THE CAPITALIZED COST REDUCTION, EQUALS THE ADJUSTED CAPITALIZED COST.

(2) “CAPITALIZED COST” SHALL INCLUDE ALL ITEMS THAT ARE CAPITALIZED IN THE LEASE AND, AFTER THE APPLICATION OF THE CAPITALIZED COST REDUCTION, AMORTIZED BY THE SCHEDULED LEASE PAYMENTS OVER THE TERM OF THE LEASE.

(3) “CAPITALIZED COST” SHALL INCLUDE TO THE EXTENT CAPITALIZED AND AMORTIZED AS SET FORTH IN PARAGRAPH (2) OF THIS SUBSECTION: