

HOUSE BILL 598

Q3

9lr1997

By: **Delegates Miller, Adams, Anderton, Arentz, Arikan, Beitzel, Boteler, Bromwell, Buckel, Cassilly, Chisholm, Ciliberti, Clark, Corderman, Cox, M. Fisher, Ghrist, Hartman, Hornberger, Impallaria, Jacobs, Kipke, Kittleman, Krebs, Long, Malone, Mangione, Mautz, McComas, McKay, Metzgar, Morgan, Otto, Parrott, Pippy, Reilly, Rose, Saab, Shoemaker, and Wivell**

Introduced and read first time: February 6, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Calculation of Taxable Income – Itemized Deductions – Property Taxes**

3 FOR the purpose of allowing an individual, under certain circumstances, to increase the
4 amount of itemized deductions used to determine Maryland taxable income by a
5 certain amount of real or personal property taxes paid by the individual; providing
6 for the application of this Act; and generally relating to certain itemized deductions
7 under the Maryland income tax.

8 BY repealing and reenacting, with amendments,

9 Article – Tax – General

10 Section 10–218(b)

11 Annotated Code of Maryland

12 (2016 Replacement Volume and 2018 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

14 That the Laws of Maryland read as follows:

15 **Article – Tax – General**

16 10–218.

17 (b) An individual who elects to itemize deductions is allowed as a deduction the
18 sum of the individual's federal itemized deductions:

19 (1) **EXCEPT AS PROVIDED IN ITEM (4) OF THIS SUBSECTION**, limited

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 and reduced as required under the Internal Revenue Code;

2 (2) further reduced by any amount deducted under § 170 of the Internal
3 Revenue Code for contributions of a preservation or conservation easement for which a
4 credit is claimed under § 10–723 of this title; [and]

5 (3) further reduced by the amount claimed as taxes on income paid to a
6 state or political subdivision of a state, after subtracting a pro rata portion of the reduction
7 to itemized deductions required under § 68 of the Internal Revenue Code; AND

8 (4) INCREASED BY THE AMOUNT OF STATE AND LOCAL AND FOREIGN
9 REAL PROPERTY TAXES AND STATE AND LOCAL PERSONAL PROPERTY TAXES
10 REDUCED AS A RESULT OF THE LIMITATION UNDER § 164(B)(6)(B) OF THE
11 INTERNAL REVENUE CODE.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2019, and shall be applicable to all taxable years beginning after December 31, 2018.