

HOUSE BILL 944

Q3

9lr2805

By: **Delegate Wivell**

Introduced and read first time: February 8, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Retirement Income of Emergency**
3 **Medical Dispatcher**

4 FOR the purpose of allowing a subtraction modification under the Maryland income tax
5 under certain circumstances for a certain amount of retirement income attributable
6 to certain employment as an emergency medical dispatcher; altering a certain
7 definition; making technical changes; providing for the application of this Act; and
8 generally relating to a subtraction modification under the Maryland income tax for
9 retirement income attributable to a resident's employment as an emergency medical
10 dispatcher.

11 BY repealing and reenacting, with amendments,
12 Article – Tax – General
13 Section 10–209
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2018 Supplement)

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

18 **Article – Tax – General**

19 10–209.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) “Correctional officer” means an individual who:

22 (i) was employed in:

23 1. a State correctional facility, as defined in § 1–101 of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Correctional Services Article;

2 2. a local correctional facility, as defined in § 1–101 of the
3 Correctional Services Article;

4 3. a juvenile facility included in § 9–226 of the Human
5 Services Article; or

6 4. a facility of the United States that is equivalent to a State
7 or local correctional facility or a juvenile facility included in § 9–226 of the Human Services
8 Article; and

9 (ii) is eligible to receive retirement income attributable to the
10 individual's employment under item (i) of this paragraph.

11 (3) "Emergency services personnel" means:

12 (I) AN emergency medical [technicians or paramedics]
13 **TECHNICIAN;**

14 (II) **A PARAMEDIC; OR**

15 (III) **AN EMERGENCY MEDICAL DISPATCHER WHO IS LICENSED**
16 **BY THE STATE EMERGENCY MEDICAL SERVICES BOARD.**

17 (4) (i) "Employee retirement system" means a plan:

18 1. established and maintained by an employer for the benefit
19 of its employees; and

20 2. qualified under § 401(a), § 403, or § 457(b) of the Internal
21 Revenue Code.

22 (ii) "Employee retirement system" does not include:

23 1. an individual retirement account or annuity under § 408
24 of the Internal Revenue Code;

25 2. a Roth individual retirement account under § 408A of the
26 Internal Revenue Code;

27 3. a rollover individual retirement account;

28 4. a simplified employee pension under Internal Revenue
29 Code § 408(k); or

1 5. an ineligible deferred compensation plan under § 457(f) of
2 the Internal Revenue Code.

3 (b) Subject to subsections (d) and (e) of this section, to determine Maryland
4 adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years
5 old or is totally disabled or the resident's spouse is totally disabled, or the resident is at
6 least 55 years old and is a retired correctional officer, law enforcement officer, or fire,
7 rescue, or emergency services personnel of the United States, the State, or a political
8 subdivision of the State, an amount is subtracted from federal adjusted gross income equal
9 to the lesser of:

10 (1) the cumulative or total annuity, pension, or endowment income from an
11 employee retirement system included in federal adjusted gross income; or

12 (2) the maximum annual benefit under the Social Security Act computed
13 under subsection (c) of this section, less any payment received as old age, survivors, or
14 disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

15 (c) For purposes of subsection (b)(2) of this section, the Comptroller:

16 (1) shall determine the maximum annual benefit under the Social Security
17 Act allowed for an individual who retired at age 65 for the prior calendar year; and

18 (2) may allow the subtraction to the nearest \$100.

19 (d) Military retirement income that is included in the subtraction under §
20 10–207(q) of this subtitle may not be taken into account for purposes of the subtraction
21 under this section.

22 (e) In the case of a retired correctional officer, law enforcement officer, or fire,
23 rescue, or emergency services personnel of the United States, the State, or a political
24 subdivision of the State, the amount included under subsection (b)(1) of this section is
25 limited to the first \$15,000 of retirement income that is attributable to the resident's
26 employment as a correctional officer, a law enforcement officer, or fire, rescue, or emergency
27 services personnel of the United States, the State, or a political subdivision of the State
28 unless:

29 (1) the resident is at least 65 years old or is totally disabled; or

30 (2) the resident's spouse is totally disabled.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
32 1, 2019, and shall be applicable to all taxable years beginning after December 31, 2018.