

SB0405/433524/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 405
(First Reading File Bill – Second Printing)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and West” and substitute “**West, Griffith, Guzzone, Jackson, King, McCray, Rosapepe, Young, and Zucker**”; strike beginning with “allowing,” in line 3 down through “tax” in line 8 and substitute “providing a tax credit against the Maryland income tax for certain residents who are at least a certain age; and generally relating to an income tax credit for seniors”; and strike in their entirety lines 9 through 23, inclusive, and substitute:

“BY adding to

Article – Tax – General

Section 10–754

Annotated Code of Maryland

(2016 Replacement Volume and 2021 Supplement)”.

AMENDMENT NO. 2

On pages 2 and 3, strike in their entirety the lines beginning with line 2 on page 2 through line 10 on page 3, inclusive, and substitute:

“10–754.

(A) IN THIS SECTION, “ELIGIBLE TAXPAYER” MEANS A RESIDENT WHO, ON THE LAST DAY OF THE TAXABLE YEAR, IS AT LEAST 65 YEARS OLD.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION AND SUBJECT TO SUBSECTION (D) OF THIS SECTION, AN ELIGIBLE TAXPAYER MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO:

(1) \$1,000 FOR AN ELIGIBLE TAXPAYER, OTHER THAN AN INDIVIDUAL DESCRIBED UNDER ITEM (2) OF THIS SUBSECTION, WHOSE FEDERAL ADJUSTED GROSS INCOME DOES NOT EXCEED \$100,000; OR

(2) FOR SPOUSES FILING A JOINT RETURN OR FOR A SURVIVING SPOUSE OR HEAD OF HOUSEHOLD AS DEFINED IN § 2 OF THE INTERNAL REVENUE CODE WHOSE FEDERAL ADJUSTED GROSS INCOME DOES NOT EXCEED \$150,000:

(i) EXCEPT AS PROVIDED IN ITEM (ii) OF THIS ITEM, \$1,750;
OR

(ii) IF ONLY ONE OF THE INDIVIDUALS FILING THE JOINT RETURN IS AN ELIGIBLE TAXPAYER, \$1,000.

(C) FOR A TAXABLE YEAR IN WHICH THE SEPTEMBER GENERAL FUND ESTIMATE IN THE SEPTEMBER BOARD OF REVENUE ESTIMATES REPORT ISSUED DURING THE TAXABLE YEAR IS MORE THAN 7.5% BELOW THE MARCH GENERAL FUND ESTIMATE IN THE MARCH BOARD OF REVENUE ESTIMATES REPORT ISSUED IN THE TAXABLE YEAR, THE AMOUNT OF THE CREDIT ALLOWED UNDER SUBSECTION (B) OF THIS SECTION IS LIMITED TO:

(1) \$500 FOR AN ELIGIBLE TAXPAYER, OTHER THAN AN INDIVIDUAL DESCRIBED UNDER ITEM (2) OF THIS SUBSECTION, WHOSE FEDERAL ADJUSTED GROSS INCOME IS AT LEAST \$50,000 BUT DOES NOT EXCEED \$100,000;
OR

(2) FOR SPOUSES FILING A JOINT RETURN OR FOR A SURVIVING SPOUSE OR HEAD OF HOUSEHOLD AS DEFINED IN § 2 OF THE INTERNAL REVENUE

CODE WHOSE FEDERAL ADJUSTED GROSS INCOME IS AT LEAST \$100,000 BUT DOES NOT EXCEED \$150,000:

(I) EXCEPT AS PROVIDED IN ITEM (II) OF THIS ITEM, \$875;

OR

(II) IF ONLY ONE OF THE INDIVIDUALS FILING THE JOINT RETURN IS AN ELIGIBLE TAXPAYER, \$500.

(D) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.”.

On page 3, in line 12, after “2022” insert “, and shall be applicable to all taxable years beginning after December 31, 2021”.