

SENATE BILL 443

Q3

2lr2467
CF 2lr2209

By: **Senator Jackson**

Introduced and read first time: January 26, 2022

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Pet-Friendly Rental Dwelling Units**

3 FOR the purpose of allowing certain landlords a credit against the State income tax for
4 certain rental dwelling units in which, during the taxable year, a landlord permits
5 certain tenants to reside with companion animals; requiring the Comptroller to
6 maintain and publish on the Comptroller’s website certain information; and
7 generally relating to a credit against the State income tax for pet-friendly rental
8 dwelling units.

9 BY adding to

10 Article – Tax – General

11 Section 10-754

12 Annotated Code of Maryland

13 (2016 Replacement Volume and 2021 Supplement)

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

15 That the Laws of Maryland read as follows:

16 **Article – Tax – General**

17 **10-754.**

18 (A) IN THIS SECTION, “RENTAL DWELLING UNIT” HAS THE MEANING STATED
19 IN § 6-801 OF THE ENVIRONMENT ARTICLE.

20 (B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, A LANDLORD MAY
21 CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO \$200
22 FOR EACH RENTAL DWELLING UNIT IN WHICH, DURING THE TAXABLE YEAR, THE
23 LANDLORD PERMITS THE LANDLORD’S TENANT TO RESIDE WITH A COMPANION
24 ANIMAL.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(C) (1) FOR EACH TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS**
2 **SECTION MAY NOT EXCEED THE LESSER OF:**

3 **(I) \$2,000; OR**

4 **(II) THE STATE INCOME TAX FOR THAT TAXABLE YEAR,**
5 **CALCULATED BEFORE THE APPLICATION OF THE CREDITS UNDER THIS SECTION**
6 **AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE, BUT AFTER THE APPLICATION OF**
7 **OTHER CREDITS ALLOWABLE UNDER THIS SUBTITLE.**

8 **(2) THE UNUSED AMOUNT OF CREDIT FOR ANY TAXABLE YEAR MAY**
9 **NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.**

10 **(D) (1) A LANDLORD CLAIMING THE CREDIT UNDER THIS SECTION MAY**
11 **IMPOSE A LIMITATION ON THE TOTAL NUMBER OF COMPANION ANIMALS WITH**
12 **WHICH A TENANT MAY RESIDE.**

13 **(2) A LANDLORD CLAIMING THE CREDIT UNDER THIS SECTION MAY**
14 **NOT IMPOSE:**

15 **(I) A NON-REFUNDABLE PET FEE ON THE TENANT WHO**
16 **RESIDES WITH A COMPANION ANIMAL; OR**

17 **(II) BREED OR SIZE RESTRICTIONS ON THE COMPANION ANIMAL**
18 **WITH WHICH THE TENANT SEEKS TO RESIDE.**

19 **(E) IN ORDER TO CLAIM THE CREDIT ALLOWED UNDER THIS SECTION, THE**
20 **LANDLORD SHALL FILE WITH THE LANDLORD'S INCOME TAX RETURN:**

21 **(1) A LIST OF EACH PROPERTY AT WHICH THE LANDLORD PERMITS**
22 **THE LANDLORD'S RESIDENTIAL RENTAL HOUSING TENANTS TO RESIDE WITH**
23 **COMPANION ANIMALS IN THE TENANT'S RENTAL DWELLING UNIT AND FOR WHICH**
24 **THE LANDLORD IS CLAIMING THE CREDIT UNDER THIS SECTION; AND**

25 **(2) A COPY OF THE LANDLORD'S POLICIES GOVERNING COMPANION**
26 **ANIMALS WITH RESPECT TO THE PROPERTY.**

27 **(F) NOTWITHSTANDING THE LIMITATIONS UNDER TITLE 13, SUBTITLE 2 OF**
28 **THIS ARTICLE, THE COMPTROLLER SHALL MAINTAIN AND PUBLISH ON THE**
29 **COMPTROLLER'S WEBSITE A LIST OF LANDLORDS WHO CLAIM THE CREDIT**
30 **ALLOWED UNDER THIS SECTION AND THE PROPERTIES AT WHICH EACH LANDLORD**

1 PERMITS THE LANDLORD'S RESIDENTIAL RENTAL HOUSING TENANTS TO RESIDE
2 WITH COMPANION ANIMALS IN THE TENANT'S RENTAL DWELLING UNIT.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2022, and shall be applicable to all taxable years beginning after December 31, 2021, but
5 before January 1, 2024. It shall remain effective for a period 2 years and, at the end of June
6 30, 2024, this Act, with no further action required by the General Assembly, shall be
7 abrogated and of no further force and effect.