

SENATE BILL 748

Q3

4lr2489
CF HB 803

By: **Senators Corderman, Hershey, Ready, Bailey, Carozza, Folden, Gallion,
Jennings, Mautz, McKay, Salling, Simonaire, and West**

Introduced and read first time: February 1, 2024

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Alteration of Brackets and Rates**
3 **(Economic Prosperity Act of 2024)**

4 FOR the purpose of altering the rates and rate brackets under the State income tax on
5 certain income of individuals; and generally relating to the State individual income
6 tax.

7 BY repealing and reenacting, with amendments,
8 Article – Tax – General
9 Section 10–105(a)
10 Annotated Code of Maryland
11 (2022 Replacement Volume and 2023 Supplement)

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

14 **Article – Tax – General**

15 10–105.

16 (a) (1) For an individual other than an individual described in paragraph (2)
17 of this subsection, the State income tax rate is:

18 (i) [2%] **4%** of Maryland taxable income of [~~\$1~~] **\$15,000** through
19 [~~\$1,000~~] **\$75,000**;

20 (ii) [3%] **4.5%** of Maryland taxable income of [~~\$1,001~~] **\$75,001**
21 through [~~\$2,000~~] **\$150,000**;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) [4%] **4.75%** of Maryland taxable income of [~~\$2,001~~] **\$150,001**
2 through [~~\$3,000~~] **\$200,000**;

3 (iv) [4.75%] **5%** of Maryland taxable income of [~~\$3,001~~] **\$200,001**
4 through [~~\$100,000~~] **\$300,000**;

5 (v) [5%] **5.5%** of Maryland taxable income of [~~\$100,001~~] **\$300,001**
6 through [~~\$125,000~~] **\$350,000**; AND

7 (vi) [5.25%] **5.75%** of Maryland taxable income [of ~~\$125,001~~ through
8 ~~\$150,000~~;

9 (vii) 5.5% of Maryland taxable income of ~~\$150,001~~ through ~~\$250,000~~;
10 and

11 (viii) 5.75% of Maryland taxable income in excess of ~~\$250,000~~] IN
12 **EXCESS OF \$350,000.**

13 (2) For spouses filing a joint return or for a surviving spouse or head of
14 household as defined in § 2 of the Internal Revenue Code, the State income tax rate is:

15 (i) [2%] **4%** of Maryland taxable income of [~~\$1~~] **\$30,000** through
16 [~~\$1,000~~] **\$90,000**;

17 (ii) [3%] **4.5%** of Maryland taxable income of [~~\$1,001~~] **\$90,001**
18 through [~~\$2,000~~] **\$200,000**;

19 (iii) [4%] **4.75%** of Maryland taxable income of [~~\$2,001~~] **\$200,001**
20 through [~~\$3,000~~] **\$250,000**;

21 (iv) [4.75%] **5%** of Maryland taxable income of [~~\$3,001~~] **\$250,001**
22 through [~~\$150,000~~] **\$350,000**;

23 (v) [5%] **5.5%** of Maryland taxable income of [~~\$150,001~~] **\$350,001**
24 through [~~\$175,000~~] **\$400,000**; AND

25 (vi) [5.25%] **5.75%** of Maryland taxable income [of ~~\$175,001~~ through
26 ~~\$225,000~~;

27 (vii) 5.5% of Maryland taxable income of ~~\$225,001~~ through ~~\$300,000~~;
28 and

29 (viii) 5.75% of Maryland taxable income in excess of ~~\$300,000~~] IN
30 **EXCESS OF \$400,000.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2024, and shall be applicable to all taxable years beginning after December 31, 2023.