

# HOUSE BILL 1276

Q3  
HB 1344/24 – W&M

5lr2879

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By: **Delegates Howard, Buckel, Hartman, Hornberger, Miller, and Reilly**  
Introduced and read first time: February 7, 2025  
Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Long–Term Care Premiums**

3 FOR the purpose of altering the definition of “eligible long–term care premiums” for  
4 purposes of a certain credit against the State income tax for certain long–term care  
5 insurance premiums paid by a taxpayer; altering a certain limitation on the credit;  
6 altering the amount a taxpayer may claim as a credit for certain long–term care  
7 insurance purchased after a certain date; and generally relating to an income tax  
8 credit for eligible long–term care premiums.

9 BY repealing and reenacting, with amendments,  
10 Article – Tax – General  
11 Section 10–718  
12 Annotated Code of Maryland  
13 (2022 Replacement Volume and 2024 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 10–718.

18 (a) In this section, “eligible long–term care premiums” means eligible long–term  
19 care premiums within the meaning of § 213(d)(10) of the Internal Revenue Code for a  
20 long–term care insurance contract covering an individual who is a Maryland resident **AND**  
21 **IS AT LEAST 45 YEARS OLD.**

22 (b) [An individual] **A TAXPAYER** may claim a credit against the State income tax  
23 in an amount equal to 100% of the eligible long–term care premiums paid by the  
24 [individual] **TAXPAYER** during the taxable year for long–term care insurance covering the

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 [individual] TAXPAYER or the [individual's] TAXPAYER'S spouse, parent, stepparent,  
2 child, or stepchild.

3 (c) The credit allowed under this section:

4 (1) [may not exceed \$500 for] WITH RESPECT TO each insured  
5 INDIVIDUAL covered by long-term care insurance for which the [individual] TAXPAYER  
6 pays the premiums, **MAY NOT EXCEED \$250 FOR A TAXABLE YEAR BEGINNING AFTER**  
7 **DECEMBER 31, 2025;**

8 (2) may not be claimed by more than one taxpayer with respect to the same  
9 insured individual **IN THE SAME TAXABLE YEAR;** and

10 (3) may not be claimed with respect to an insured individual if:

11 (i) the insured individual was covered by long-term care insurance  
12 at any time before [July 1, 2000] **JANUARY 1, 2026;** [or] **AND**

13 (ii) the credit has been claimed with respect to that insured  
14 individual by any taxpayer for any [prior] taxable year **BEGINNING BEFORE JANUARY 1,**  
15 **2026.**

16 (d) (1) The total amount of the credit allowed under this section for any taxable  
17 year may not exceed the State income tax for that taxable year, calculated before  
18 application of the credits under this section and §§ 10-701 and 10-701.1 of this subtitle,  
19 but after application of the other credits allowable under this subtitle.

20 (2) The unused amount of the credit for any taxable year may not be carried  
21 over to any other taxable year.

22 (e) The credit allowed under this section does not affect the treatment under this  
23 title of any deduction or exclusion allowed for federal income tax purposes for the eligible  
24 long-term care premiums paid by the individual.

25 (f) On or before December 1, 2005, and each December 1 thereafter, the  
26 Comptroller shall report to the Governor and, subject to § 2-1257 of the State Government  
27 Article, to the General Assembly, regarding the credit allowed under this section, including:

28 (1) the number of individuals who have claimed the credit, the amount  
29 allowed as credits, and the additional number of individuals covered by long-term care  
30 insurance as a result of the credit; and

31 (2) the savings under the State's Medical Assistance Program as a result  
32 of additional individuals being covered by long-term care insurance as a result of the credit.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July

1 1, 2025, and shall be applicable to all taxable years beginning after December 31, 2025.