

# HOUSE BILL 1169

Q3  
HB 1091/12 – W&M

3lr2587  
CF SB 639

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By: **Delegates Hucker, Barve, Cardin, Dumais, Kaiser, A. Kelly, Lee, Mizeur,  
Niemann, Rosenberg, V. Turner, and Valderrama**

Introduced and read first time: February 8, 2013

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Civil Rights Tax Relief Act**

3 FOR the purpose of allowing an individual a subtraction modification under the  
4 Maryland income tax for certain payments received by a claimant for certain  
5 damages as a result of certain claims of unlawful discrimination; defining  
6 certain terms; providing for the application of this Act; and generally relating to  
7 an income tax subtraction modification for certain damages as a result of  
8 certain claims of unlawful discrimination.

9 BY repealing and reenacting, without amendments,  
10 Article – Tax – General  
11 Section 10–207(a)  
12 Annotated Code of Maryland  
13 (2010 Replacement Volume and 2012 Supplement)

14 BY adding to  
15 Article – Tax – General  
16 Section 10–207(aa)  
17 Annotated Code of Maryland  
18 (2010 Replacement Volume and 2012 Supplement)

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

21 **Article – Tax – General**

22 10–207.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) To the extent included in federal adjusted gross income, the amounts  
2 under this section are subtracted from the federal adjusted gross income of a resident  
3 to determine Maryland adjusted gross income.

4 (AA) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE  
5 THE MEANINGS INDICATED.

6 (II) "LOST PAY" MEANS WAGES, SALARY, OR OTHER  
7 COMPENSATION ATTRIBUTABLE TO SERVICES PERFORMED, OR THAT WOULD  
8 HAVE BEEN PERFORMED BUT FOR A CLAIMED VIOLATION OF LAW, AS AN  
9 EMPLOYEE, A FORMER EMPLOYEE, OR A PROSPECTIVE EMPLOYEE.

10 (III) 1. "NONECONOMIC DAMAGES" MEANS AMOUNTS  
11 RECEIVED BY A CLAIMANT IN SATISFACTION OF A CLAIM OF UNLAWFUL  
12 DISCRIMINATION, OTHER THAN COMPENSATION FOR LOST PAY OR PUNITIVE  
13 DAMAGES.

14 2. "NONECONOMIC DAMAGES" INCLUDES AMOUNTS  
15 RECEIVED AS A RESULT OF A CLAIM OF UNLAWFUL DISCRIMINATION:

16 A. WHETHER BY JUDGMENT OR OTHER ORDER OR BY  
17 SETTLEMENT; AND

18 B. WHETHER PAYABLE IN A LUMP SUM OR PERIODIC  
19 PAYMENTS.

20 (IV) "UNLAWFUL DISCRIMINATION" HAS THE MEANING  
21 STATED IN § 62(E) OF THE INTERNAL REVENUE CODE.

22 (2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION  
23 INCLUDES ANY AMOUNT RECEIVED BY A CLAIMANT FOR NONECONOMIC  
24 DAMAGES AS A RESULT OF A CLAIM OF UNLAWFUL DISCRIMINATION.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 July 1, 2013, and shall be applicable to all taxable years beginning after December 31,  
27 2012.