

HOUSE BILL 699

Q3

4lr0547

By: **Delegates Murphy, Barve, Branch, Fisher, Glenn, A. Miller, Serafini, Stukes, Valderrama, Walker, A. Washington, and Wilson**

Introduced and read first time: January 31, 2014

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2014

CHAPTER _____

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Unreimbursed Expenses of Foster**
3 **Parents**

4 FOR the purpose of allowing a subtraction modification under the Maryland income
5 tax for certain unreimbursed expenses incurred by certain foster parents on
6 behalf of a foster child; providing that only certain expenses may be included in
7 the subtraction; prohibiting certain expenses from being included in the
8 subtraction modification; requiring the Department of Human Resources, on or
9 before a certain date, to submit a certain list to the Comptroller; providing that
10 the subtraction may not exceed a certain amount; defining ~~a certain term~~
11 certain terms; providing for the application of this Act; and generally relating to
12 a subtraction modification for unreimbursed foster child expenses.

13 BY repealing and reenacting, without amendments,
14 Article – Tax – General
15 Section 10–208(a)
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2013 Supplement)

18 BY adding to
19 Article – Tax – General
20 Section 10–208(u)
21 Annotated Code of Maryland
22 (2010 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Tax – General**

4 10–208.

5 (a) In addition to the modification under § 10–207 of this subtitle, the
6 amounts under this section are subtracted from the federal adjusted gross income of a
7 resident to determine Maryland adjusted gross income.

8 ~~(U) (1) (I) IN THIS SUBSECTION, “FOSTER PARENT” MEANS AN~~
9 ~~APPROVED PUBLIC FOSTER PARENT OR A KINSHIP PARENT PROVIDING~~
10 ~~24 HOUR SUBSTITUTE CARE FOR A CHILD UNDER THE CARE AND CUSTODY OF A~~
11 ~~LOCAL DEPARTMENT OF SOCIAL SERVICES.~~

12 (U) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE
13 THE MEANINGS INDICATED.

14 (II) 1. “FOSTER PARENT” MEANS AN INDIVIDUAL
15 APPROVED BY A LOCAL DEPARTMENT TO PROVIDE 24-HOUR CARE FOR A
16 FOSTER CHILD IN THE HOME WHERE THE INDIVIDUAL RESIDES.

17 2. “FOSTER PARENT” INCLUDES A KINSHIP PARENT.

18 ~~(H)~~ 3. “FOSTER PARENT” DOES NOT INCLUDE A
19 TREATMENT FOSTER PARENT LICENSED BY A CHILD PLACEMENT AGENCY.

20 (III) “KINSHIP PARENT” HAS THE MEANING STATED IN §
21 5–534 OF THE FAMILY LAW ARTICLE.

22 (IV) “LOCAL DEPARTMENT” MEANS A DEPARTMENT OF
23 SOCIAL SERVICES IN A COUNTY OR THE MONTGOMERY COUNTY DEPARTMENT
24 OF HEALTH AND HUMAN SERVICES.

25 (2) SUBJECT TO ~~PARAGRAPH (3)~~ THE REQUIREMENTS OF THIS
26 SUBSECTION, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION
27 INCLUDES 100% OF THE UNREIMBURSED EXPENSES THAT A FOSTER PARENT
28 INCURS ON BEHALF OF A FOSTER CHILD.

29 (3) (I) THE SUBTRACTION ALLOWED UNDER PARAGRAPH (2)
30 OF THIS SUBSECTION INCLUDES ONLY AN EXPENSE THAT THE LOCAL
31 DEPARTMENT APPROVES AS NECESSARY.

1 **(II) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS**
 2 **SUBSECTION MAY NOT INCLUDE AN EXPENSE FOR WHICH THE FOSTER PARENT**
 3 **RECEIVES AN ALLOWANCE OR A REIMBURSEMENT FROM ANY PUBLIC OR**
 4 **PRIVATE AGENCY.**

5 **(4) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE**
 6 **DEPARTMENT OF HUMAN RESOURCES SHALL SUBMIT TO THE COMPTROLLER A**
 7 **LIST OF APPROVED FOSTER PARENTS.**

8 **(5) THE SUBTRACTION ALLOWED UNDER PARAGRAPH (2) OF THIS**
 9 **SUBSECTION MAY NOT EXCEED \$1,500.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 11 July 1, 2014, and shall be applicable to all taxable years beginning after December 31,
 12 2013.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.