

# HOUSE BILL 1014

Q3

7lr1107  
CF 7lr0872

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By: **Delegate Simonaire**

Introduced and read first time: February 8, 2017

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Qualified Family Caregivers of Qualified Armed**  
3 **Services Members**

4 FOR the purpose of allowing certain qualified family caregivers who provide care and  
5 support to certain qualified armed services members a credit against the State  
6 income tax under certain circumstances; providing for the calculation of the credit;  
7 requiring a qualified family caregiver to submit certain documentation to qualify for  
8 the credit; making the credit refundable; defining certain terms; providing for the  
9 application of this Act; and generally relating to an income tax credit for certain  
10 qualified family caregivers of certain qualified armed services members.

11 BY adding to  
12 Article – Tax – General  
13 Section 10–741  
14 Annotated Code of Maryland  
15 (2010 Replacement Volume and 2016 Supplement)

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

18 **Article – Tax – General**

19 **10–741.**

20 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
21 **INDICATED.**

22 **(2) “QUALIFIED ARMED SERVICES MEMBER” MEANS AN INDIVIDUAL**  
23 **WHO:**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (I) IS HONORABLY DISCHARGED OR RELEASED UNDER  
2 HONORABLE CIRCUMSTANCES FROM ACTIVE MILITARY, NAVAL, OR AIR SERVICE AS  
3 DEFINED IN 38 U.S.C. § 101;

4 (II) HAS A DISABILITY ARISING OUT OF ACTIVE SERVICE IN ANY  
5 WAR OR CONFLICT ON OR AFTER SEPTEMBER 11, 2001;

6 (III) MEETS THE REQUIREMENTS FOR TOTAL DISABILITY  
7 RATINGS FOR COMPENSATION BASED ON UNEMPLOYABILITY OF THE INDIVIDUAL AS  
8 DETERMINED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS; AND

9 (IV) HAS RESIDED WITH A QUALIFIED FAMILY CAREGIVER IN  
10 THE STATE FOR NOT LESS THAN 6 MONTHS OF THE TAXABLE YEAR.

11 (3) "QUALIFIED FAMILY CAREGIVER" MEANS AN INDIVIDUAL  
12 RESIDENT OF THE STATE WHO:

13 (I) DURING THE TAXABLE YEAR, PROVIDES CARE AND SUPPORT  
14 TO A QUALIFIED ARMED SERVICES MEMBER TO WHOM THE CAREGIVER IS A  
15 RELATIVE; AND

16 (II) FOR THE TAXABLE YEAR HAS FEDERAL ADJUSTED GROSS  
17 INCOME NOT EXCEEDING:

18 1. \$100,000, FOR SPOUSES FILING A JOINT RETURN OR  
19 FOR A SURVIVING SPOUSE OR HEAD OF HOUSEHOLD AS DEFINED IN § 2 OF THE  
20 INTERNAL REVENUE CODE; OR

21 2. \$50,000, FOR AN INDIVIDUAL OTHER THAN AN  
22 INDIVIDUAL DESCRIBED IN ITEM 1 OF THIS ITEM.

23 (4) "RELATIVE" MEANS AN INDIVIDUAL RELATED BY BLOOD OR  
24 MARRIAGE WITHIN THE THIRD DEGREE OF CONSANGUINITY.

25 (B) A QUALIFIED FAMILY CAREGIVER MAY CLAIM A STATE INCOME TAX  
26 CREDIT IN THE AMOUNT DETERMINED UNDER THIS SECTION IF, DURING THE  
27 TAXABLE YEAR, THE QUALIFIED FAMILY CAREGIVER PROVIDES CARE AND SUPPORT  
28 TO A QUALIFIED ARMED SERVICES MEMBER.

29 (C) FOR ANY TAXABLE YEAR, THE CREDIT UNDER THIS SECTION MAY NOT  
30 EXCEED THE LESSER OF:

1           **(1) 100% OF THE FEDERAL VETERAN DISABILITY COMPENSATION OF**  
2 **THE QUALIFIED ARMED SERVICES MEMBER FOR WHOM THE QUALIFIED FAMILY**  
3 **CAREGIVER RENDERS CARE; OR**

4           **(2) \$675.**

5           **(D) IF TWO OR MORE QUALIFIED FAMILY CAREGIVERS QUALIFY FOR THE**  
6 **CREDIT UNDER THIS SECTION FOR THE SAME QUALIFIED ARMED SERVICES**  
7 **MEMBER, THE AMOUNT OF THE CREDIT ALLOWED SHALL BE ALLOCATED IN**  
8 **PROPORTION TO EACH QUALIFIED FAMILY CAREGIVER'S SHARE OF TOTAL CARE**  
9 **EXPENSES INCURRED DURING THE TAXABLE YEAR.**

10           **(E) TO CLAIM THE CREDIT UNDER THIS SECTION, THE QUALIFIED FAMILY**  
11 **CAREGIVER SHALL ATTACH TO THE QUALIFIED FAMILY CAREGIVER'S TAX RETURN**  
12 **OR OTHERWISE FILE WITH THE COMPTROLLER:**

13           **(1) AN AFFIDAVIT THAT THE QUALIFIED FAMILY CAREGIVER HAS**  
14 **PROVIDED CARE AND SUPPORT TO A QUALIFIED ARMED SERVICES MEMBER FOR NOT**  
15 **LESS THAN 6 MONTHS OF THE TAXABLE YEAR;**

16           **(2) PROOF OF THE FEDERAL VETERAN DISABILITY COMPENSATION**  
17 **OF THE QUALIFIED ARMED SERVICES MEMBER FOR WHOM THE QUALIFIED FAMILY**  
18 **CAREGIVER RENDERED CARE; AND**

19           **(3) PROOF OF THE QUALIFIED FAMILY CAREGIVER'S TOTAL CARE**  
20 **EXPENSES INCURRED DURING THE TAXABLE YEAR.**

21           **(F) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR**  
22 **EXCEEDS THE TOTAL INCOME TAX OTHERWISE PAYABLE BY THE QUALIFIED FAMILY**  
23 **CAREGIVER FOR THAT TAXABLE YEAR, THE QUALIFIED FAMILY CAREGIVER MAY**  
24 **RECEIVE A REFUND IN THE AMOUNT OF THE EXCESS.**

25           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
26 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2016.