

SB0280/563824/1

BY: Senator Serafini

AMENDMENTS TO SENATE BILL 280, AS AMENDED
(First Reading File Bill)

AMENDMENT NO. 1

On page 1 of the bill, in line 2, after “Wage” insert “and Earned Income Tax Credit”.

On page 2 of the bill, in line 19, before “and” insert “providing for the application of certain provisions of this Act;”; and in line 20, after “wages” insert “and the Maryland earned income tax credit”.

On page 2 of the Finance Committee Amendments (SB0280/577171/1), in line 1 of Amendment No. 1, after “budget;” insert “altering the calculation of the Maryland earned income tax credit; allowing certain individuals to claim a refund of the credit;”; and in line 15, after “Supplement)” insert:

“BY repealing and reenacting, without amendments,

Article – Tax – General

Section 10–704(a)

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 10–704(b)

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)”.

AMENDMENT NO. 2

(Over)

On page 2 of the Finance Committee Amendments, in lines 3, 5, and 7 of Amendment No. 2, strike “5%”, “4.5%”, and “4%”, respectively, and substitute “3.5%”, “3%” and “2.5%”, respectively.

On page 3 of the Finance Committee Amendments, in lines 4 and 9 of Amendment No. 2, strike “4%” and “3%”, respectively, and substitute “2.5%” and “2%”, respectively.

On page 5 of the Finance Committee Amendments, in line 12 of Amendment No. 2, strike “4%” and substitute “2.5%”.

On page 6 of the Finance Committee Amendments, in lines 2 and 15 of Amendment No. 2, strike “3.5%” and “3.25%”, respectively, and substitute “2%” and “1.75%”, respectively.

On page 7 of the Finance Committee Amendments, in lines 8 and 21 of Amendment No. 2, strike “3%” and “4%”, respectively, and substitute “1.5%” and “2.5%”, respectively.

On page 8 of the Finance Committee Amendments, in line 11 of Amendment No. 2, strike “4%” and substitute “2.5%”.

On page 12 of the Finance Committee Amendments, in lines 9, 16, and 23 of Amendment No. 2, in each instance, strike “4%” and substitute “2.5%”.

On page 13 of the Finance Committee Amendments, in lines 5, 12, and 19 of Amendment No. 2, in each instance, strike “4%” and substitute “2.5%”.

AMENDMENT NO. 3

On page 9 of the bill, in line 1, strike “\$11.00” and substitute “\$10.50”; in line 5, after “**HOURLY;**” insert “AND”; and strike in their entirety lines 6 through 9, inclusive.

On page 14 of the Finance Committee Amendments, in lines 12 and 13 of Amendment No. 4, strike “\$11.75” and “\$12.50”, respectively, and substitute “\$11.00” and “\$11.25”, respectively; in line 14, strike “JANUARY 1, 2023,”; and in line 15, strike “\$13.25”.

On page 15 of the Finance Committee Amendments, in line 1 of Amendment No. 4, strike “JANUARY 1, 2024,”; in the same line, strike “\$14.00”; in line 3, strike “(VIII)” and substitute “(VI)”; in the same line, strike “2025” and substitute “2023”; in the same line, strike “\$15.00” and substitute “\$12.00”; in lines 9, 11, 13, 15, 17, and 19, strike “\$11.00”, “\$11.50”, “\$12.00”, “\$12.50”, “\$13.00”, and “\$13.50”, respectively, and substitute “\$10.50”, “\$10.75”, “\$11.00”, “\$11.25”, “\$11.50”, and “\$11.75”, respectively; and in line 19, after “HOUR;” insert “AND”.

On page 16 of the Finance Committee Amendments, in Amendment No. 4, strike in their entirety lines 1 through 4, inclusive; in line 5, strike “(X)” and substitute “(VIII)”; in the same line, strike “2028” and substitute “2026”; and in the same line, strike “\$15.00” and substitute “\$12.00”.

AMENDMENT NO. 4

On page 18 of the bill, after line 11, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – General

10-704.

(a) (1) A resident may claim a credit against the State income tax for a taxable year in the amount determined under subsection (b) of this section for earned income.

(Over)

(2) A resident may claim a credit against the county income tax for a taxable year in the amount determined under subsection (c) of this section for earned income.

(b) (1) Except as provided in paragraphs (2) and (3) of this subsection and subject to subsection (d) of this section, the credit allowed against the State income tax under subsection (a)(1) of this section is the lesser of:

(i) [50%] 60% of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code; or

(ii) the State income tax for the taxable year.

(2) (i) Subject to subsection (d) of this section, a resident may claim a refund in the amount, if any, by which the applicable percentage specified in subparagraph (ii) of this paragraph of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable year.

(ii) The applicable percentage of the earned income credit allowable under § 32 of the Internal Revenue Code to be used for purposes of determining the refund provided under this paragraph is:

1. 25% for a taxable year beginning after December 31, 2013, but before January 1, 2015;

2. 25.5% for a taxable year beginning after December 31, 2014, but before January 1, 2016;

3. 26% for a taxable year beginning after December 31, 2015, but before January 1, 2017;

4. 27% for a taxable year beginning after December 31, 2016, but before January 1, 2018; [and]

5. 28% for a taxable year beginning after December 31, 2017, BUT BEFORE JANUARY 1, 2019; AND

6. 100% FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018.

(3) For purposes of this section for an individual without a qualifying child, the credit allowable for a taxable year under § 32 of the Internal Revenue Code is calculated without regard to the minimum age requirement under § 32(c)(1)(A)(ii)(II) of the Internal Revenue Code.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2018.”;

and in line 12, strike “2.” and substitute “4.”.