

HOUSE BILL 114

Q3

9lr1067

By: **Delegates Reilly and Cassilly**

Introduced and read first time: January 18, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Subtraction Modification – Retirement Income of Correctional**
3 **Services, Law Enforcement, or Fire, Rescue, or Emergency Services Personnel**

4 FOR the purpose of increasing the maximum amount of a subtraction modification under
5 the Maryland income tax of certain individuals for certain retirement income
6 attributable to employment as a correctional officer, a law enforcement officer, or
7 fire, rescue, or emergency services personnel; providing for the application of this
8 Act; and generally relating to a subtraction modification under the Maryland income
9 tax for certain retirement income.

10 BY repealing and reenacting, without amendments,
11 Article – Tax – General
12 Section 10–209(b)
13 Annotated Code of Maryland
14 (2016 Replacement Volume and 2018 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Tax – General
17 Section 10–209(e)
18 Annotated Code of Maryland
19 (2016 Replacement Volume and 2018 Supplement)

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

Article – Tax – General

22 10–209.

24 (b) Subject to subsections (d) and (e) of this section, to determine Maryland
25 adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 old or is totally disabled or the resident's spouse is totally disabled, or the resident is at
2 least 55 years old and is a retired correctional officer, law enforcement officer, or fire,
3 rescue, or emergency services personnel of the United States, the State, or a political
4 subdivision of the State, an amount is subtracted from federal adjusted gross income equal
5 to the lesser of:

6 (1) the cumulative or total annuity, pension, or endowment income from an
7 employee retirement system included in federal adjusted gross income; or

8 (2) the maximum annual benefit under the Social Security Act computed
9 under subsection (c) of this section, less any payment received as old age, survivors, or
10 disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

11 (e) In the case of a retired correctional officer, law enforcement officer, or fire,
12 rescue, or emergency services personnel of the United States, the State, or a political
13 subdivision of the State, the amount included under subsection (b)(1) of this section is
14 limited to the first ~~[\$15,000]~~ **\$30,000** of retirement income that is attributable to the
15 resident's employment as a correctional officer, a law enforcement officer, or fire, rescue, or
16 emergency services personnel of the United States, the State, or a political subdivision of
17 the State unless:

18 (1) the resident is at least 65 years old or is totally disabled; or

19 (2) the resident's spouse is totally disabled.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
21 1, 2019, and shall be applicable to all taxable years beginning after December 31, 2018.