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**By: Delegate Beck**

Introduced and read first time: January 30, 1997

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Elderly Taxpayers**

3 FOR the purpose of providing a subtraction modification under the Maryland income tax  
4 for certain income of certain individuals who have reached a certain age; providing  
5 for the application of this Act; and generally relating to a subtraction modification  
6 under the Maryland income tax for certain individuals who have reached a certain  
7 age.

8 BY repealing and reenacting, without amendments,

9 Article - Tax - General

10 Section 10-207(a)

11 Annotated Code of Maryland

12 (1988 Volume and 1996 Supplement)

13 BY adding to

14 Article - Tax - General

15 Section 10-207(s)

16 Annotated Code of Maryland

17 (1988 Volume and 1996 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Tax - General**

21 10-207.

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

25 (S) (1) IN THIS SUBSECTION, "ELIGIBLE ELDERLY TAXPAYER" MEANS AN  
26 INDIVIDUAL WHO:

27 (I) IS AT LEAST 80 YEARS OLD ON THE LAST DAY OF THE TAXABLE  
28 YEAR;

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1 (II) HAS PAID MARYLAND INCOME TAX FOR EACH OF THE 5  
2 CONSECUTIVE TAXABLE YEARS IMMEDIATELY PRECEDING THE TAXABLE YEAR;  
3 AND

4 (III) MAY NOT BE CLAIMED AS A DEPENDENT ON THE INCOME TAX  
5 RETURN OF ANOTHER TAXPAYER OTHER THAN THE INDIVIDUAL'S SPOUSE.

6 (2) IF AN INDIVIDUAL, OR EITHER SPOUSE IN THE CASE OF A MARRIED  
7 COUPLE FILING A JOINT INCOME TAX RETURN, IS AN ELIGIBLE ELDERLY  
8 TAXPAYER, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES  
9 THE LESSER OF:

10 (I) THE TOTAL MARYLAND ADJUSTED GROSS INCOME INCLUDED  
11 ON THE INDIVIDUAL'S RETURN FOR THE TAXABLE YEAR DETERMINED WITHOUT  
12 REGARD TO THE SUBTRACTION ALLOWED UNDER THIS SUBSECTION; OR

13 (II) AN AMOUNT EQUAL TO:

14 1. \$50,000 FOR A JOINT RETURN OR AN INDIVIDUAL  
15 DESCRIBED IN § 2 OF THE INTERNAL REVENUE CODE AS A HEAD OF HOUSEHOLD OR  
16 AS A SURVIVING SPOUSE; OR

17 2. \$25,000 FOR AN INDIVIDUAL OTHER THAN ONE  
18 DESCRIBED IN SUBITEM 1 OF THIS ITEM.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 July 1, 1997 and shall be applicable to all taxable years beginning after December 31,  
21 1996.