
By: **Delegates Cryor, Benson, Brown, Burns, Conroy, Dypski, Eckardt,
Howard, Kach, La Vay, Pitkin, Rzepkowski, Walkup, and Stocksdale**
Introduced and read first time: February 11, 1999
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Standard Deduction - Homeowners Age 65 and Over**

3 FOR the purpose of altering the minimum and maximum standard deduction from
4 Maryland taxable income for certain homeowners; and providing for the
5 application of this Act.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - General
8 Section 10-217
9 Annotated Code of Maryland
10 (1997 Replacement Volume and 1998 Supplement)

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

13 **Article - Tax - General**

14 10-217.

15 (a) (1) (i) Except as otherwise provided in this subsection, an individual
16 may elect to use the standard deduction to compute Maryland taxable income
17 whether or not the individual itemizes deductions on the individual's federal income
18 tax return in determining federal taxable income.

19 (ii) If an individual elects to use the standard deduction on the
20 federal income tax return, the individual may not take any itemized deduction in §
21 10-218 of this subtitle.

22 (2) A fiduciary may not use the standard deduction.

23 (b) Subject to the limitation in subsection (c) of this section, the standard
24 deduction for an individual is an amount equal to 15% of the individual's Maryland
25 adjusted gross income.

1 (c) (1) For an individual other than one described in paragraphs (2) [and
2 (3)] THROUGH (4) of this subsection, the standard deduction:

3 (i) may not be less than \$1,500; and

4 (ii) may not exceed \$2,000.

5 (2) For an individual described in § 2 of the Internal Revenue Code as a
6 head of household or as a surviving spouse, the standard deduction:

7 (i) may not be less than \$3,000; and

8 (ii) may not exceed \$4,000.

9 (3) FOR A HOMEOWNER AT LEAST 65 YEARS OLD WHOSE FEDERAL
10 ADJUSTED GROSS INCOME IS LESS THAN \$50,000, THE STANDARD DEDUCTION:

11 (I) MAY NOT BE LESS THAN \$3,000; AND

12 (II) MAY NOT EXCEED \$4,000.

13 [(3)] (4) For spouses on a joint return, the standard deduction:

14 (i) may not be less than \$3,000; and

15 (ii) may not exceed \$4,000.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 1999, and shall apply to all taxable years beginning on or after December 31,
18 1999.