

HOUSE BILL 727

Unofficial Copy  
Q3  
SB 639/98 - B&T

1999 Regular Session  
9r1405  
CF SB 157

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By: **Delegates Redmer, Ports, Klausmeier, Stocksdales, Finifter, Leopold,  
Rzepkowski, Elliott, Cryor, Eckardt, O'Donnell, Parrott, Hubbard,  
Glassman, Boutin, Dypski, Pitkin, and James**

Introduced and read first time: February 12, 1999

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Long-Term Care Insurance Premiums**

3 FOR the purpose of allowing an individual a credit against the State income tax for  
4 certain long-term care insurance premiums paid by the individual; defining a  
5 certain term; providing for the application of this Act; and generally relating to  
6 a credit against the State income tax for certain long-term care insurance  
7 premiums.

8 BY adding to  
9 Article - Tax - General  
10 Section 10-712  
11 Annotated Code of Maryland  
12 (1997 Replacement Volume and 1998 Supplement)

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

15 **Article - Tax - General**

16 10-712.

17 (A) IN THIS SECTION, "ELIGIBLE LONG-TERM CARE PREMIUMS" MEANS  
18 ELIGIBLE LONG-TERM CARE PREMIUMS WITHIN THE MEANING OF § 213(D)(10) OF  
19 THE INTERNAL REVENUE CODE FOR A LONG-TERM CARE INSURANCE CONTRACT  
20 COVERING AN INDIVIDUAL WHO IS A MARYLAND RESIDENT.

21 (B) AN INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX  
22 IN AN AMOUNT EQUAL TO 25% OF THE ELIGIBLE LONG-TERM CARE PREMIUMS PAID  
23 BY THE INDIVIDUAL DURING THE TAXABLE YEAR FOR LONG-TERM CARE INSURANCE  
24 COVERING THE INDIVIDUAL OR THE INDIVIDUAL'S SPOUSE, PARENT, STEPPARENT,  
25 CHILD, OR STEPCHILD.

26 (C) THE CREDIT ALLOWED UNDER THIS SECTION:

1           (1)       MAY NOT EXCEED \$100 FOR EACH INSURED COVERED BY  
2 LONG-TERM INSURANCE FOR WHICH THE INDIVIDUAL PAYS THE PREMIUMS; AND

3           (2)       MAY NOT BE CLAIMED BY MORE THAN ONE TAXPAYER WITH  
4 RESPECT TO THE SAME INSURED INDIVIDUAL.

5       (D)       THE CREDIT ALLOWED UNDER THIS SECTION DOES NOT AFFECT THE  
6 TREATMENT UNDER THIS TITLE OF ANY DEDUCTION OR EXCLUSION ALLOWED FOR  
7 FEDERAL INCOME TAX PURPOSES FOR THE ELIGIBLE LONG-TERM CARE PREMIUMS  
8 PAID BY THE INDIVIDUAL.

9       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
10 effect July 1, 1999 and shall be applicable to all taxable years beginning after  
11 December 31, 1998.