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By: Delegates Rosso, Conroy, Clagett, Love, Giannetti, Swain, Finifter, Howard, Moe, Frush, D'Amato, Pitkin, Greenip, Rzepkowski, C. Davis, Cryor, Patterson, Cadden, Pendergrass, and Leopold

Introduced and read first time: February 1, 2002

Assigned to: Ways and Means

A BILL ENTITLED

4	AT	1 000	•
1	AN	ACT	concerning

2 Income Tax - Credit for Retrofitting	ng Home for Individuals with Disabili	ties
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- 3 FOR the purpose of allowing certain individuals to claim a State income tax credit for
- 4 certain costs incurred to retrofit a residence with certain accessibility features
- 5 for individuals with disabilities, subject to a certain limitation; prohibiting the
- 6 unused credit from being applied in succeeding taxable years; limiting the total
 - amount of the credits that the Department of Housing and Community
- 8 Development may approve for certain taxable years to certain amounts;
- 9 requiring the Department to approve a prorated credit for each applicant if the
- total amount applied for exceeded the maximum that may be approved;
- providing for applications to the Department for approval of the credit and
- certification by the Department to taxpayers of approved credit amounts;
- authorizing the Department to adopt regulations necessary for the
- implementation of this Act; providing for the application of this Act; and
- generally relating to a State income tax credit for costs incurred to retrofit a
- residence with accessibility features for individuals with disabilities.
- 17 BY adding to

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- 18 Article Tax General
- 19 Section 10-724
- 20 Annotated Code of Maryland
- 21 (1997 Replacement Volume and 2001 Supplement)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 23 MARYLAND, That the Laws of Maryland read as follows:
- 24 Article Tax General
- 25 10-724.
- 26 (A) IN THIS SECTION, "ACCESSIBILITY FEATURES" MEANS:
- 27 (1) A NO-STEP ENTRANCE ALLOWING ACCESS INTO A RESIDENCE;

34 OF THE CREDIT.

(2)

37 ANY TAXABLE YEAR:

(I)

1.

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HOUSE BILL 583

INTERIOR PASSAGE DOORS PROVIDING A 32 INCH WIDE CLEAR 1 (2) 2 OPENING: REINFORCEMENTS IN BATHROOM WALLS AND INSTALLATION OF 4 GRAB BARS AROUND A TOILET, TUB, OR SHOWER; LIGHT SWITCHES AND OUTLETS PLACED IN 6 WHEELCHAIR-ACCESSIBLE LOCATIONS; AND UNIVERSAL DESIGN FEATURES OR THOSE ACCESSIBILITY FEATURES 7 8 PRESCRIBED BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT 9 UNDER ARTICLE 83B, § 6-102 OF THE CODE. 10 (B) (1) SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS 11 SUBSECTION, AN INDIVIDUAL WHOSE FEDERAL ADJUSTED GROSS INCOME FOR THE 12 TAXABLE YEAR DOES NOT EXCEED \$50,000, OR \$25,000 IN THE CASE OF A MARRIED 13 INDIVIDUAL FILING A SEPARATE RETURN, MAY CLAIM A CREDIT AGAINST THE STATE 14 INCOME TAX AS PROVIDED IN THIS SECTION FOR COSTS INCURRED TO RETROFIT OR 15 HIRE SOMEONE TO RETROFIT A RESIDENCE WITH ONE OR MORE ACCESSIBILITY 16 FEATURES NOT OTHERWISE REQUIRED BY LAW. IF AN INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME FOR 17 (I)18 THE TAXABLE YEAR EXCEEDS \$41,000, THE CREDIT OTHERWISE ALLOWED UNDER 19 THIS SECTION SHALL BE REDUCED BY 10% FOR EACH \$1,000 OR FRACTION OF \$1,000 20 BY WHICH THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME EXCEEDS \$41,000. IN THE CASE OF A MARRIED INDIVIDUAL FILING A SEPARATE 22 RETURN, IF THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME FOR THE 23 TAXABLE YEAR EXCEEDS \$20,500, THE CREDIT OTHERWISE ALLOWED UNDER THIS 24 SECTION SHALL BE REDUCED BY 10% FOR EACH \$500 OR FRACTION OF \$500 BY WHICH 25 THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME EXCEEDS \$20,500. THE CREDIT ALLOWED UNDER THIS SECTION FOR ANY TAXABLE 27 YEAR MAY NOT EXCEED \$500 FOR ANY RETURN OR \$250 IN THE CASE OF A MARRIED 28 INDIVIDUAL FILING A SEPARATE RETURN. THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY 30 NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR. BY NOVEMBER 1 OF THE TAXABLE YEAR FOR WHICH THE CREDIT 31 32 UNDER THIS SECTION IS SOUGHT, AN INDIVIDUAL SHALL SUBMIT AN APPLICATION

33 TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR APPROVAL

36 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT MAY NOT EXCEED, FOR

IN 2002, \$100,000;

THE TOTAL AMOUNT OF CREDITS APPROVED BY THE

1	2	2.	IN 2003, \$250,000;
2	:	3.	IN 2004, \$500,000; AND
3	2	4.	IN 2005 AND EACH SUCCEEDING YEAR, \$1,000,000.
6 7 8	INDIVIDUALS EXCEEDS TH PARAGRAPH, THE DEPARTS SHALL APPROVE A CREDIT	E MAX MENT (' UNDE	TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL IMUM SPECIFIED IN SUBPARAGRAPH (I) OF THIS OF HOUSING AND COMMUNITY DEVELOPMENT R THIS SECTION FOR EACH APPLICANT IN AN IT OF MULTIPLYING THE CREDIT APPLIED FOR

- 10 1. THE NUMERATOR OF WHICH IS THE MAXIMUM SPECIFIED 11 UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH; AND
- 12 2. THE DENOMINATOR OF WHICH IS THE TOTAL OF ALL 13 CREDITS APPLIED FOR BY ALL APPLICANTS UNDER THIS SECTION FOR THE TAXABLE 14 YEAR.
- 15 (3) BY DECEMBER 15 OF EACH TAXABLE YEAR, THE DEPARTMENT OF 16 HOUSING AND COMMUNITY DEVELOPMENT SHALL CERTIFY TO EACH APPLICANT 17 THE AMOUNT OF THE CREDIT APPROVED FOR THE INDIVIDUAL UNDER THIS 18 SECTION.
- 19 (4) TO CLAIM THE APPROVED CREDIT UNDER THIS SECTION, AN 20 INDIVIDUAL SHALL ATTACH A COPY OF THE DEPARTMENT'S CERTIFICATION OF THE 21 APPROVED CREDIT AMOUNT TO THE INDIVIDUAL'S INCOME TAX RETURN.
- 22 (E) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT MAY 23 ADOPT REGULATIONS NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
- 25 effect July 1, 2002, and shall be applicable to all taxable years beginning after
- 26 December 31, 2001.