
By: **Senators Hollinger and Green**

Introduced and read first time: February 4, 2005

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Subtraction Modification for Living Organ Donors**

3 FOR the purpose of allowing a subtraction modification under the Maryland income
4 tax for certain expenses that are attributable to the donation of certain organs
5 for organ transplantation under certain circumstances; limiting the subtraction
6 to a certain amount and to a certain number of claims per individual; defining
7 certain terms; providing for the application of this Act; and generally relating to
8 an income tax subtraction modification for donating certain organs for organ
9 transplantation.

10 BY repealing and reenacting, without amendments,

11 Article - Tax - General
12 Section 10-208(a)
13 Annotated Code of Maryland
14 (2004 Replacement Volume)

15 BY adding to

16 Article - Tax - General
17 Section 10-208(q)
18 Annotated Code of Maryland
19 (2004 Replacement Volume)

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

22 **Article - Tax - General**

23 10-208.

24 (a) In addition to the modification under § 10-207 of this subtitle, the
25 amounts under this section are subtracted from the federal adjusted gross income of
26 a resident to determine Maryland adjusted gross income.

27 (Q) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
28 MEANINGS INDICATED.

1 (II) "ORGAN" MEANS ALL OR PART OF AN INDIVIDUAL'S LIVER,
2 PANCREAS, KIDNEY, INTESTINE, LUNG, OR BONE MARROW.

3 (III) "ORGAN DONOR" MEANS AN INDIVIDUAL WHO DONATES ONE
4 OR MORE OF THE INDIVIDUAL'S ORGANS TO ANOTHER INDIVIDUAL FOR ORGAN
5 TRANSPLANTATION.

6 (IV) "QUALIFIED EXPENSES" INCLUDES ANY UNREIMBURSED
7 TRAVEL AND LODGING EXPENSES AND LOST WAGES.

8 (2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION
9 INCLUDES QUALIFIED EXPENSES THAT AN INDIVIDUAL INCURS THAT ARE
10 ATTRIBUTABLE TO THE DONATION OF AN ORGAN IF:

11 (I) 1. THE INDIVIDUAL IS THE ORGAN DONOR; OR

12 2. THE INDIVIDUAL CLAIMS THE ORGAN DONOR AS A
13 DEPENDENT UNDER § 151(C) OF THE INTERNAL REVENUE CODE; AND

14 (II) THE ORGAN DONOR IS ALIVE AT THE TIME THE ORGAN IS
15 DONATED.

16 (3) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION
17 MAY NOT EXCEED \$10,000 FOR THE TAXABLE YEAR.

18 (4) AN INDIVIDUAL MAY NOT CLAIM A SUBTRACTION UNDER THIS
19 SUBSECTION FOR MORE THAN ONE ORGAN DONATION.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2005, and shall be applicable to all taxable years beginning after December 31,
22 2004.