
By: **Senators Middleton, Astle, Brinkley, Colburn, DeGrange, Dyson, Green, Hafer, Kelley, Klausmeier, Mooney, Munson, Schrader, Stone, and Teitelbaum**

Introduced and read first time: February 4, 2005

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Surviving Spouse of Fallen Armed Forces Member**

3 FOR the purpose of providing a certain credit against the State income tax for the
4 surviving spouse of a member of the armed forces who died as a result of or
5 while serving in certain combat zones under certain circumstances; limiting the
6 credit to a certain amount; prohibiting the unused amount of the credit from
7 being carried over to any other taxable year; providing for the application of this
8 Act; and generally relating to a certain State income tax credit for a surviving
9 spouse of a fallen armed forces member.

10 BY adding to

11 Article - Tax - General

12 Section 10-725

13 Annotated Code of Maryland

14 (2004 Replacement Volume)

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

17 **Article - Tax - General**

18 10-725.

19 (A) A SURVIVING SPOUSE OF A FALLEN MEMBER OF THE UNITED STATES
20 ARMED FORCES MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR THE
21 TAXABLE YEAR IN WHICH THE FALLEN ARMED FORCES MEMBER DIED IF:

22 (1) THE SURVIVING SPOUSE HAS NOT REMARRIED;

23 (2) THE FALLEN ARMED FORCES MEMBER OR THE SURVIVING SPOUSE
24 WAS A RESIDENT OF THE STATE AS OF THE DATE OF THE FALLEN ARMED FORCES
25 MEMBER'S DEATH; AND

1 (3) (I) THE FALLEN ARMED FORCES MEMBER WAS KILLED IN ACTION
2 WHILE SERVING IN MILITARY OPERATIONS IN AFGHANISTAN OR IRAQ; OR

3 (II) THE FALLEN ARMED FORCES MEMBER DIED AS A RESULT OF
4 COMBAT-RELATED WOUNDS, DISEASE, OR INJURY SUFFERED WHILE SERVING IN
5 MILITARY OPERATIONS IN AFGHANISTAN OR IRAQ.

6 (B) THE CREDIT ALLOWED UNDER THIS SECTION EQUALS THE LESSER OF:

7 (1) THE STATE INCOME TAX FOR THE TAXABLE YEAR IN WHICH THE
8 CREDIT IS CLAIMED; OR

9 (2) \$1,000.

10 (C) THE UNUSED AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
11 MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2005, and shall be applicable to all taxable years beginning after December 31,
14 2004.