
By: Delegates Frank, Aumann, Bartlett, Bates, Boschert, Boteler, Bromwell, Bronrott, Cluster, Conroy, Costa, Cryor, DeBoy, Donoghue, Dwyer, Eckardt, Edwards, Elliott, Elmore, Goodwin, Haddaway, Hammen, Haynes, Heller, Hogan, Jennings, Kach, King, Kohl, Krebs, Kullen, Levy, Marriott, Mayer, McComas, McConkey, McDonough, Miller, Morhaim, Myers, Oaks, O'Donnell, Pendergrass, Shank, Shewell, Smigiel, Sossi, Stocksdale, Stull, Trueschler, V. Turner, Walkup, Weir, and Weldon

Introduced and read first time: February 2, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of altering certain limits on the State income tax credit for
4 employer-provided long-term care insurance; providing for the application of
5 this Act; and generally relating to State income tax credits for
6 employer-provided long-term care insurance.

7 BY repealing and reenacting, without amendments,
8 Article - Tax - General
9 Section 10-710(a)
10 Annotated Code of Maryland
11 (2004 Replacement Volume and 2005 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article - Tax - General
14 Section 10-710(b)
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2005 Supplement)

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

19 **Article - Tax - General**

20 10-710.

21 (a) In this section, "long-term care insurance" has the meaning stated in §
22 18-101 of the Insurance Article.

1 (b) (1) Subject to the limitation under paragraph (2) of this subsection, an
2 employer may claim a tax credit in an amount equal to 5% of the costs incurred by the
3 employer during the taxable year to provide long-term care insurance as part of an
4 employee benefit package.

5 (2) The credit allowed under this section may not exceed the lesser of:

6 (i) [\$5,000] \$15,000; or

7 (ii) [\$100] \$300 for each employee in the State covered by
8 long-term care insurance provided under the employee benefit package.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2006, and shall be applicable to all taxable years beginning on or after
11 December 31, 2005.