
By: **Delegates Rudolph, Cane, and Donoghue**
 Introduced and read first time: February 14, 2006
 Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit for Aging-in-Place Home Modifications**

3 FOR the purpose of allowing a State income tax credit for the purchase of a
 4 single-family home with certain accessibility features, or the installation of
 5 certain accessibility features into a home; limiting the amount of the credit that
 6 may be claimed; providing for the carryforward of certain unused credit under
 7 certain circumstances; authorizing the Comptroller to adopt certain regulations;
 8 defining certain terms; providing for the application of this Act; and generally
 9 relating to income tax credits for certain home accessibility features.

10 BY adding to

11 Article - Tax - General
 12 Section 10-726
 13 Annotated Code of Maryland
 14 (2004 Replacement Volume and 2005 Supplement)

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 10-726.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
 20 INDICATED.

21 (2) "ACCESSIBILITY FEATURE" INCLUDES:

22 (I) A NO-STEP ENTRANCE ALLOWING ACCESS INTO A RESIDENCE;

23 (II) INTERIOR PASSAGE DOORS TO A RESIDENCE PROVIDING AT
 24 LEAST A 32-INCH WIDE CLEAR OPENING;

25 (III) GRAB BARS AROUND A TOILET, TUB, OR SHOWER, INSTALLED
 26 TO SUPPORT AT LEAST 250 POUNDS;

1 (IV) LIGHT SWITCHES AND OUTLETS PLACED BETWEEN 27 AND 44
2 INCHES OFF THE FLOOR, INCLUSIVE; AND

3 (V) LEVER HANDLES ON DOORS.

4 (3) "QUALIFIED AGING-IN-PLACE HOME MODIFICATION EXPENSE"
5 MEANS AN EXPENSE PAID DURING THE TAXABLE YEAR BY THE TAXPAYER
6 ATTRIBUTABLE TO ADDING ACCESSIBILITY FEATURES TO A RESIDENCE FOR THE
7 BENEFIT OF THE TAXPAYER OR THE TAXPAYER'S SPOUSE OR DEPENDENT FOR THE
8 PURPOSE OF PREVENTING OR DELAYING THE NEED FOR LONG-TERM MEDICAL
9 CARE.

10 (B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN INDIVIDUAL MAY
11 CLAIM A CREDIT AGAINST THE STATE INCOME TAX:

12 (1) IN THE AMOUNT OF \$1,000 IF DURING THE TAXABLE YEAR THE
13 INDIVIDUAL PURCHASES A NEW SINGLE-FAMILY HOME CONTAINING ALL OF THE
14 ACCESSIBILITY FEATURES DESCRIBED IN SUBSECTION (A) OF THIS SECTION; OR

15 (2) FOR EACH ACCESSIBILITY FEATURE INSTALLED IN AN EXISTING
16 SINGLE-FAMILY HOME, IN AN AMOUNT EQUAL TO THE LESSER OF:

17 (I) \$100; OR

18 (II) THE ACTUAL COST OF THE ACCESSIBILITY FEATURE.

19 (C) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED
20 \$1,000 FOR A TAXABLE YEAR.

21 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE
22 TAXPAYER'S STATE INCOME TAX LIABILITY, ANY UNUSED CREDIT MAY BE CARRIED
23 FORWARD AND APPLIED FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

24 (I) THE FULL AMOUNT OF THE CREDIT IS USED; OR

25 (II) THE EXPIRATION OF THE THIRD TAXABLE YEAR AFTER THE
26 TAXABLE YEAR IN WHICH THE CREDIT AROSE.

27 (D) THE COMPTROLLER MAY ADOPT REGULATIONS NECESSARY TO
28 ADMINISTER THIS SECTION.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 July 1, 2006, and shall be applicable to all taxable years beginning after December 31,
31 2006.