

Chapter 419

(House Bill 699)

AN ACT concerning

Income Tax – Subtraction Modification – Unreimbursed Expenses of Foster Parents

FOR the purpose of allowing a subtraction modification under the Maryland income tax for certain unreimbursed expenses incurred by certain foster parents on behalf of a foster child; providing that only certain expenses may be included in the subtraction; prohibiting certain expenses from being included in the subtraction modification; requiring the Department of Human Resources, on or before a certain date, to submit a certain list to the Comptroller; providing that the subtraction may not exceed a certain amount; defining ~~a certain term~~ certain terms; providing for the application of this Act; and generally relating to a subtraction modification for unreimbursed foster child expenses.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–208(a)
Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

BY adding to
Article – Tax – General
Section 10–208(u)
Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

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

Article – Tax – General

10–208.

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

~~(u) (1) (i) IN THIS SUBSECTION, “FOSTER PARENT” MEANS AN APPROVED PUBLIC FOSTER PARENT OR A KINSHIP PARENT PROVIDING~~

~~24-HOUR SUBSTITUTE CARE FOR A CHILD UNDER THE CARE AND CUSTODY OF A LOCAL DEPARTMENT OF SOCIAL SERVICES.~~

(U) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) 1. "FOSTER PARENT" MEANS AN INDIVIDUAL APPROVED BY A LOCAL DEPARTMENT TO PROVIDE 24-HOUR CARE FOR A FOSTER CHILD IN THE HOME WHERE THE INDIVIDUAL RESIDES.

2. "FOSTER PARENT" INCLUDES A KINSHIP PARENT.

~~(H)~~ 3. "FOSTER PARENT" DOES NOT INCLUDE A TREATMENT FOSTER PARENT LICENSED BY A CHILD PLACEMENT AGENCY.

(III) "KINSHIP PARENT" HAS THE MEANING STATED IN § 5-534 OF THE FAMILY LAW ARTICLE.

(IV) "LOCAL DEPARTMENT" MEANS A DEPARTMENT OF SOCIAL SERVICES IN A COUNTY OR THE MONTGOMERY COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(2) SUBJECT TO ~~PARAGRAPH (3)~~ THE REQUIREMENTS OF THIS SUBSECTION, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES 100% OF THE UNREIMBURSED EXPENSES THAT A FOSTER PARENT INCURS ON BEHALF OF A FOSTER CHILD.

(3) (I) THE SUBTRACTION ALLOWED UNDER PARAGRAPH (2) OF THIS SUBSECTION INCLUDES ONLY AN EXPENSE THAT THE LOCAL DEPARTMENT APPROVES AS NECESSARY.

(II) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT INCLUDE AN EXPENSE FOR WHICH THE FOSTER PARENT RECEIVES AN ALLOWANCE OR A REIMBURSEMENT FROM ANY PUBLIC OR PRIVATE AGENCY.

(4) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE DEPARTMENT OF HUMAN RESOURCES SHALL SUBMIT TO THE COMPTROLLER A LIST OF APPROVED FOSTER PARENTS.

(5) THE SUBTRACTION ALLOWED UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED \$1,500.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014, and shall be applicable to all taxable years beginning after December 31, 2013.

Approved by the Governor, May 5, 2014.