

# HOUSE BILL 1050

Q3

6lr1736

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By: **Delegates Platt, Afzali, Barkley, Buckel, Carr, Clippinger, Ebersole, Fennell, Fraser-Hidalgo, Frick, Hettleman, Hornberger, Kipke, Korman, Kramer, Lierman, Luedtke, Metzgar, Moon, Morales, Morhaim, Patterson, Reilly, Shoemaker, Simonaire, Tarlau, Turner, A. Washington, K. Young, and P. Young**

Introduced and read first time: February 11, 2016

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit – Holocaust Survivors**

3 FOR the purpose of allowing an individual who is a Holocaust survivor to claim a credit  
4 against the State income tax; providing for the amount of the credit; providing that  
5 the credit may be claimed only by a taxpayer with retirement income that does not  
6 exceed a certain amount; providing that the credit may not be carried forward to  
7 another taxable year; requiring the Comptroller to adopt certain regulations;  
8 defining certain terms; providing for the application of this Act; and generally  
9 relating to an income tax credit for Holocaust survivors.

10 BY adding to

11 Article – Tax – General

12 Section 10–737

13 Annotated Code of Maryland

14 (2010 Replacement Volume and 2015 Supplement)

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

17 **Article – Tax – General**

18 **10–737.**

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2) “HOLOCAUST SURVIVOR” MEANS ANY PERSON WHO:**

2                   **(I) WAS BOTH RACIALLY AND RELIGIOUSLY PERSECUTED BY**  
3 **THE NAZIS OR THEIR AXIS ALLIES BETWEEN 1933 AND 1945; OR**

4                   **(II) EMIGRATED BECAUSE OF BOTH RACIAL AND RELIGIOUS**  
5 **PERSECUTION FROM ANY COUNTRY OCCUPIED BY THE NAZIS OR THEIR AXIS ALLIES**  
6 **BETWEEN 1933 AND 1945.**

7           **(3) “RETIREMENT INCOME” MEANS ANY INCOME FROM:**

8                   **(I) A PLAN QUALIFIED UNDER § 401(A), § 403, OR § 457(B) OF**  
9 **THE INTERNAL REVENUE CODE;**

10                   **(II) AN INDIVIDUAL RETIREMENT ACCOUNT OR ANNUITY UNDER**  
11 **§ 408 OF THE INTERNAL REVENUE CODE;**

12                   **(III) A ROTH INDIVIDUAL RETIREMENT ACCOUNT UNDER § 408A**  
13 **OF THE INTERNAL REVENUE CODE;**

14                   **(IV) A ROLLOVER INDIVIDUAL RETIREMENT ACCOUNT;**

15                   **(V) A SIMPLIFIED EMPLOYEE PENSION UNDER INTERNAL**  
16 **REVENUE CODE § 408(K); OR**

17                   **(VI) AN INELIGIBLE DEFERRED COMPENSATION PLAN UNDER §**  
18 **457(F) OF THE INTERNAL REVENUE CODE.**

19           **(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION:**

20                   **(1) AN INDIVIDUAL WHO IS A HOLOCAUST SURVIVOR MAY CLAIM A**  
21 **CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO \$2,000; AND**

22                   **(2) A MARRIED COUPLE, IN WHICH BOTH SPOUSES ARE HOLOCAUST**  
23 **SURVIVORS, FILING A JOINT RETURN MAY CLAIM A CREDIT AGAINST THE STATE**  
24 **INCOME TAX IN AN AMOUNT EQUAL TO \$4,000.**

25           **(C) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT BE CLAIMED BY**  
26 **A TAXPAYER WITH RETIREMENT INCOME DURING THE TAXABLE YEAR THAT**  
27 **EXCEEDS \$100,000.**

28           **(D) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS**  
29 **SECTION MAY NOT EXCEED THE STATE INCOME TAX FOR THAT TAXABLE YEAR.**

1           **(2) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED**  
2 **OVER TO ANY OTHER TAXABLE YEAR.**

3           **(E) THE COMPTROLLER SHALL ADOPT REGULATIONS TO CARRY OUT THE**  
4 **PROVISIONS OF THIS SECTION.**

5           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.