

HOUSE BILL 316

Q3

2lr0520

By: **Delegate Novotny**

Introduced and read first time: January 19, 2022

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Subtraction Modification – Retirement Income – Animal Control**
3 **Officers**

4 FOR the purpose of allowing a subtraction modification under the Maryland income tax
5 under certain circumstances for certain retirement income attributable to a
6 resident’s employment as an animal control officer by the State or a political
7 subdivision of the State; and generally relating to a subtraction modification under
8 the Maryland income tax for retirement income attributable to a resident’s
9 employment as an animal control officer.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – General
12 Section 10–209
13 Annotated Code of Maryland
14 (2016 Replacement Volume and 2021 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 10–209.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) **“ANIMAL CONTROL OFFICER” MEANS AN INDIVIDUAL WHO WAS**
21 **EMPLOYED BY THE STATE OR A POLITICAL SUBDIVISION OF THE STATE AS AN**
22 **ANIMAL CONTROL OFFICER.**

23 (3) **“Correctional officer” means an individual who:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) was employed in:

- 2 1. a State correctional facility, as defined in § 1–101 of the
3 Correctional Services Article;
- 4 2. a local correctional facility, as defined in § 1–101 of the
5 Correctional Services Article;
- 6 3. a juvenile facility included in § 9–226 of the Human
7 Services Article; or
- 8 4. a facility of the United States that is equivalent to a State
9 or local correctional facility or a juvenile facility included in § 9–226 of the Human Services
10 Article; and

11 (ii) is eligible to receive retirement income attributable to the
12 individual’s employment under item (i) of this paragraph.

13 **[(3)] (4)** “Emergency services personnel” means emergency medical
14 technicians or paramedics.

15 **[(4)] (5)** (i) “Employee retirement system” means a plan:

- 16 1. established and maintained by an employer for the benefit
17 of its employees; and
- 18 2. qualified under § 401(a), § 403, or § 457(b) of the Internal
19 Revenue Code.

20 (ii) “Employee retirement system” does not include:

- 21 1. an individual retirement account or annuity under § 408
22 of the Internal Revenue Code;
- 23 2. a Roth individual retirement account under § 408A of the
24 Internal Revenue Code;
- 25 3. a rollover individual retirement account;
- 26 4. a simplified employee pension under Internal Revenue
27 Code § 408(k); or
- 28 5. an ineligible deferred compensation plan under § 457(f) of
29 the Internal Revenue Code.

1 (b) Subject to subsections (d) and (e) of this section, to determine Maryland
2 adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years
3 old or is totally disabled or the resident's spouse is totally disabled, or the resident is at
4 least 55 years old and is **A RETIRED ANIMAL CONTROL OFFICER OR IS** a retired
5 correctional officer, law enforcement officer, or fire, rescue, or emergency services personnel
6 of the United States, the State, or a political subdivision of the State, an amount is
7 subtracted from federal adjusted gross income equal to the lesser of:

8 (1) the cumulative or total annuity, pension, or endowment income from an
9 employee retirement system included in federal adjusted gross income; or

10 (2) the maximum annual benefit under the Social Security Act computed
11 under subsection (c) of this section, less any payment received as old age, survivors, or
12 disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

13 (c) For purposes of subsection (b)(2) of this section, the Comptroller:

14 (1) shall determine the maximum annual benefit under the Social Security
15 Act allowed for an individual who retired at age 65 for the prior calendar year; and

16 (2) may allow the subtraction to the nearest \$100.

17 (d) Military retirement income that is included in the subtraction under §
18 10-207(q) of this subtitle may not be taken into account for purposes of the subtraction
19 under this section.

20 (e) In the case of a **RETIRED ANIMAL CONTROL OFFICER OR OF A** retired
21 correctional officer, law enforcement officer, or fire, rescue, or emergency services personnel
22 of the United States, the State, or a political subdivision of the State, the amount included
23 under subsection (b)(1) of this section is limited to the first \$15,000 of retirement income
24 that is attributable to the resident's employment as **AN ANIMAL CONTROL OFFICER OR**
25 **AS** a correctional officer, a law enforcement officer, or fire, rescue, or emergency services
26 personnel of the United States, the State, or a political subdivision of the State unless:

27 (1) the resident is at least 65 years old or is totally disabled; or

28 (2) the resident's spouse is totally disabled.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2022, and shall be applicable to all taxable years beginning after December 31, 2021.