A BILL ENTITLED

AN ACT concerning

Income Tax – Personal Exemption – Disabled Individuals

FOR the purpose of authorizing certain disabled individuals to deduct a certain amount as a personal exemption under the Maryland income tax under certain circumstances; and generally relating to a deduction for personal exemptions under the Maryland income tax.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 10–211

Annotated Code of Maryland

(2016 Replacement Volume and 2021 Supplement)

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

Article – Tax – General

10–211.

(a) Subject to the provisions of this section, an individual may deduct an exemption for:

(1) the taxpayer;

(2) the spouse of the taxpayer if:

(i) a joint return is not made by the taxpayer and the spouse; and

(ii) the spouse, for the calendar year in which the taxable year of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.
taxpayer begins, has no gross income and is not a dependent of another taxpayer; and

(3) each individual who is a dependent, as defined in § 152 of the Internal Revenue Code, of the taxpayer for the taxable year.

(b) Except as provided in subsection (c) of this section, whether or not a federal return is filed, to determine Maryland taxable income, an individual other than a fiduciary may deduct as an exemption:

(1) $3,200 for each exemption that the individual may deduct under subsection (a) of this section;

(2) an additional $3,200 for each dependent, as defined in § 152 of the Internal Revenue Code, who is at least 65 years old on the last day of the taxable year;

(3) an additional $1,000 if the individual, on the last day of the taxable year, is at least 65 years old; and

(4) an additional $1,000 if the individual, on the last day of the taxable year:

(I) is a blind individual, as described in § 10–208(c) of this subtitle; OR

(II) 1. HAS A PERMANENT PHYSICAL DISABILITY OTHER THAN BLINDNESS, AS DESCRIBED IN § 10–208(C) OF THIS SUBTITLE; AND

2. SUBMITS A LETTER FROM A QUALIFIED PHYSICIAN CERTIFYING:

A. THE NATURE OF THE DISABILITY;

B. THAT THE DISABILITY IS EXPECTED TO CONTINUE INDEFINITELY; AND

C. THAT THE INDIVIDUAL IS CAPABLE OF SUBSTANTIAL GAINFUL ACTIVITY.

(c) (1) If an individual other than one described in paragraph (2) of this subsection has federal adjusted gross income for the taxable year greater than $100,000, the amount allowed for each exemption under subsection (b)(1) or (2) of this section is limited to:

(i) $1,600 if federal adjusted gross income for the taxable year does not exceed $125,000;
(ii) $800 if federal adjusted gross income for the taxable year is greater than $125,000 but not greater than $150,000; and

(iii) $0 if federal adjusted gross income for the taxable year is greater than $150,000.

(2) If a married couple filing a joint return or an individual described in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse has federal adjusted gross income for the taxable year greater than $150,000, the amount allowed for each exemption under subsection (b)(1) or (2) of this section is limited to:

(i) $1,600 if federal adjusted gross income for the taxable year does not exceed $175,000;

(ii) $800 if federal adjusted gross income for the taxable year is greater than $175,000 but not greater than $200,000; and

(iii) $0 if federal adjusted gross income for the taxable year is greater than $200,000.

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