

# SENATE BILL 344

Q3  
SB 660/22 – B&T

3lr2565

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By: **Senators Benson, King, and Jackson**  
Introduced and read first time: January 30, 2023  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Caregiver Tax Credit**

3 FOR the purpose of allowing certain caregivers a credit against the State income tax for  
4 certain qualified expenses paid or incurred during a taxable year to provide care or  
5 support to certain qualified family members; and generally relating to an income tax  
6 credit for caregivers.

7 BY adding to  
8 Article – Tax – General  
9 Section 10–757  
10 Annotated Code of Maryland  
11 (2022 Replacement Volume)

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

14 **Article – Tax – General**

15 **10–757.**

16 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
17 **INDICATED.**

18 **(2) “CAREGIVER” MEANS AN INDIVIDUAL WHO PROVIDES CARE OR**  
19 **SUPPORT TO A QUALIFIED FAMILY MEMBER.**

20 **(3) “LICENSED PHYSICIAN” HAS THE MEANING STATED IN § 14–101**  
21 **OF THE HEALTH OCCUPATIONS ARTICLE.**

22 **(4) “PHYSICIAN ASSISTANT” HAS THE MEANING STATED IN § 15–101**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 OF THE HEALTH OCCUPATIONS ARTICLE.

2 (5) (I) "QUALIFIED EXPENSES" MEANS EXPENSES PAID OR  
3 INCURRED BY A CAREGIVER FOR GOODS OR SERVICES THAT RELATE DIRECTLY TO  
4 THE CARE OR SUPPORT OF A QUALIFIED FAMILY MEMBER, INCLUDING:

5 1. THE IMPROVEMENT OR ALTERATION OF THE  
6 CAREGIVER'S PRIMARY RESIDENCE TO ENABLE OR ASSIST THE QUALIFIED FAMILY  
7 MEMBER TO BE MOBILE, SAFE, OR INDEPENDENT;

8 2. THE PURCHASE OR LEASE OF EQUIPMENT TO ENABLE  
9 OR ASSIST THE QUALIFIED FAMILY MEMBER TO CARRY OUT ONE OR MORE  
10 DAY-TO-DAY ACTIVITIES;

11 3. EMPLOYING A HOME CARE AIDE OR PERSONAL CARE  
12 ATTENDANT; OR

13 4. THE COSTS FOR:

14 A. ADULT DAY CARE;

15 B. SPECIALIZED TRANSPORTATION;

16 C. LEGAL OR FINANCIAL SERVICES; OR

17 D. ASSISTIVE CARE TECHNOLOGY.

18 (II) "QUALIFIED EXPENSES" DOES NOT INCLUDE:

19 1. UNSPECIALIZED FOOD, CLOTHING, OR  
20 TRANSPORTATION EXPENSES;

21 2. ORDINARY HOUSEHOLD MAINTENANCE OR REPAIR  
22 EXPENSES THAT ARE NOT DIRECTLY RELATED TO OR NECESSARY FOR THE CARE OF  
23 THE QUALIFIED FAMILY MEMBER; OR

24 3. ANY AMOUNT THAT IS PAID OR REIMBURSED:

25 A. UNDER AN INSURANCE POLICY;

26 B. BY THE FEDERAL GOVERNMENT;

27 C. BY THE STATE; OR

**D. BY A POLITICAL SUBDIVISION OF THE STATE.**

**(6) "QUALIFIED FAMILY MEMBER" MEANS AN INDIVIDUAL WHO:**

**(I) IS AT LEAST 18 YEARS OLD ON THE LAST DAY OF THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE PAID OR INCURRED BY THE CAREGIVER;**

**(II) REQUIRES ASSISTANCE WITH ONE OR MORE DAILY LIVING ACTIVITIES, AS CERTIFIED BY A LICENSED PHYSICIAN, PHYSICIAN ASSISTANT, OR REGISTERED NURSE PRACTITIONER; AND**

**(III) IS AN IMMEDIATE FAMILY MEMBER OF THE CAREGIVER.**

**(7) "REGISTERED NURSE PRACTITIONER" HAS THE MEANING STATED IN § 8-101 OF THE HEALTH OCCUPATIONS ARTICLE.**

**(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, A CAREGIVER MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT DETERMINED UNDER SUBSECTION (C) OF THIS SECTION FOR QUALIFIED EXPENSES PAID OR INCURRED DURING THE TAXABLE YEAR IF THE CAREGIVER'S FEDERAL ADJUSTED GROSS INCOME DOES NOT EXCEED:**

**(1) \$75,000 IF THE CAREGIVER IS FILING AN INDIVIDUAL TAX RETURN; OR**

**(2) \$150,000 IF THE CAREGIVER IS FILING A JOINT TAX RETURN.**

**(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE AMOUNT OF THE TAX CREDIT ALLOWED UNDER SUBSECTION (B) OF THIS SECTION IS EQUAL TO 30% OF THE QUALIFIED EXPENSES PAID OR INCURRED DURING THE TAXABLE YEAR THAT EXCEED \$2,000.**

**(2) FOR ANY TAXABLE YEAR, THE AMOUNT OF THE TAX CREDIT MAY NOT EXCEED THE LESSER OF:**

**(I) \$5,000; OR**

**(II) THE STATE INCOME TAX IMPOSED FOR THAT TAXABLE YEAR.**

**(3) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED**

1 **OVER TO ANY OTHER TAXABLE YEAR.**

2 **(D) THE COMPTROLLER MAY ADOPT REGULATIONS TO CARRY OUT THE**  
3 **PROVISIONS OF THIS SECTION.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2023, and shall be applicable to all taxable years beginning after December 31, 2022.