

Chapter 161

(Senate Bill 202)

AN ACT concerning

Income Tax Department of Aging – Caregiver Tax Credit Expense Grant Program – Established

FOR the purpose of ~~allowing certain caregivers a credit against the State income tax~~ establishing the Caregiver Expense Grant Program in the Department of Aging to award grants to certain caregivers for certain qualified expenses paid or incurred during a taxable year by the caregivers to provide care or support to certain qualified family members; and generally relating to ~~an income tax credit for caregivers~~ the Caregiver Expense Grant Program.

~~BY adding to~~~~Article – Tax – General~~~~Section 10–758~~~~Annotated Code of Maryland~~~~(2022 Replacement Volume and 2023 Supplement)~~

BY adding to

Article – Human ServicesSection 10–1202Annotated Code of Maryland(2019 Replacement Volume and 2023 Supplement)

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

Article – ~~Tax – General~~ Human Services**~~10–758.~~ 10–1202.**

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

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

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

(4) “PHYSICIAN ASSISTANT” HAS THE MEANING STATED IN § 15–101 OF THE HEALTH OCCUPATIONS ARTICLE.

(5) “PROGRAM” MEANS THE CAREGIVER EXPENSE GRANT PROGRAM.

(6) (I) “QUALIFIED EXPENSES” MEANS EXPENSES PAID OR INCURRED BY A CAREGIVER FOR GOODS OR SERVICES THAT RELATE DIRECTLY TO THE CARE OR SUPPORT OF A QUALIFIED FAMILY MEMBER, INCLUDING:

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

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

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

4. THE COSTS FOR:

A. ADULT DAY CARE;

B. SPECIALIZED TRANSPORTATION;

C. LEGAL OR FINANCIAL SERVICES; OR

D. ASSISTIVE CARE TECHNOLOGY.

(II) “QUALIFIED EXPENSES” DOES NOT INCLUDE:

1. UNSPECIALIZED FOOD, CLOTHING, OR TRANSPORTATION EXPENSES;

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

3. ANY AMOUNT THAT IS PAID OR REIMBURSED:

A. UNDER AN INSURANCE POLICY;

B. BY THE FEDERAL GOVERNMENT;

C. BY THE STATE; OR

D. BY A POLITICAL SUBDIVISION OF THE STATE.

~~(6)~~ (7) “QUALIFIED FAMILY MEMBER” MEANS AN INDIVIDUAL WHO:

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

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

~~(HH) IS AN IMMEDIATE FAMILY MEMBER OF THE CAREGIVER.~~

(II) 1. IS AT LEAST 60 YEARS OLD AND IS CARED FOR BY AN ADULT RELATIVE OR INFORMAL CAREGIVER WHO IS AT LEAST 18 YEARS OLD;

2. HAS ALZHEIMER’S DISEASE OR A RELATED DISORDER AND IS CARED FOR BY AN ADULT RELATIVE OR INFORMAL CAREGIVER WHO IS AT LEAST 18 YEARS OLD; OR

3. IS A CHILD OR AN ADULT WITH DEVELOPMENTAL OR FUNCTIONAL DISABILITIES AND IS CARED FOR BY A PARENT, GRANDPARENT, OR OTHER RELATIVE THAT IS AT LEAST 55 YEARS OLD.

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

(B) THERE IS A CAREGIVER EXPENSE GRANT PROGRAM IN THE DEPARTMENT.

(C) SUBJECT TO THE LIMITATIONS OF THIS SECTION, ~~A CAREGIVER THE DEPARTMENT MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT DETERMINED UNDER SUBSECTION (C) OF THIS SECTION~~ AWARD A GRANT TO A CAREGIVER FOR QUALIFIED EXPENSES PAID OR INCURRED ~~DURING THE TAXABLE YEAR BY THE CAREGIVER~~ 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)~~ **(D) A CAREGIVER SHALL APPLY FOR A GRANT UNDER THE PROGRAM IN THE FORM AND MANNER THE DEPARTMENT REQUIRES.**

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

(2) FOR ANY ~~TAXABLE~~ FISCAL YEAR, THE AMOUNT OF THE ~~TAX CREDIT~~ GRANT MAY NOT EXCEED \$2,500. ~~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 OVER TO ANY OTHER TAXABLE YEAR.~~

~~(D)~~ **(F) FOR ANY FISCAL YEAR, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF UP TO \$5,000,000 TO THE PROGRAM.**

(G) THE ~~COMPTROLLER~~ DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024, ~~and shall be applicable to all taxable years beginning after December 31, 2023.~~

Approved by the Governor, April 25, 2024.