

**Department of Legislative Services**  
 Maryland General Assembly  
 2025 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 250 (Delegate Vogel)  
 Ways and Means

**Income Tax - Credit for Firearm Safety Devices**

This bill establishes a nonrefundable State income tax credit for up to \$200 of the amount paid by an individual to purchase a firearm safety device during the tax year. An individual may claim the credit only once per tax year and may carry over the amount of any excess credit to the next tax year. To claim the credit, an individual must apply to the Comptroller for a tax credit certificate. The Comptroller must establish a process to verify eligibility and issue a specified tax credit certificate on a first-come, first-served basis and may not issue more than \$250,000 in tax credit certificates per tax year. If an eligible individual does not receive a tax credit certificate due to the aforementioned limitation, the Comptroller may issue a tax credit certificate to the individual for a succeeding tax year. **The bill takes effect July 1, 2025, and applies to tax year 2025 and beyond.**

**Fiscal Summary**

**State Effect:** General fund revenues decrease by \$250,000 annually beginning in FY 2026. General fund expenditures for the Comptroller’s Office may increase in FY 2026 and/or future years (not shown in net effect below).

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
GF Revenue	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)
GF Expenditure	-	-	-	-	-
Net Effect	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** None.

**Small Business Effect:** Minimal.

## Analysis

**Bill Summary:** “Firearm safety device” means any device that (1) when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device or (2) is a safe, gun safe, gun case, lock box, or other device that is designed to be unlocked only by means of a key, combination, or other similar means.

**Current Law:** No similar State income tax credit exists.

State law prohibits a firearms dealer from selling, offering for sale, renting, or transferring a handgun manufactured on or before December 31, 2002, unless the handgun is sold, offered for sale, rented, or transferred with an external safety lock. In addition, a firearms dealer may not sell, offer for sale, rent, or transfer a handgun manufactured on or after January 1, 2003, unless the handgun has an integrated mechanical safety device.

**State Revenues:** General fund revenues decrease by \$250,000 annually beginning in fiscal 2026 due to credits claimed against the personal income tax. This estimate assumes that (1) there is sufficient demand for the credit such that the aggregate cap on tax credit certificates is maximized each year and (2) given the limited value of the nonrefundable credit, participating taxpayers are able to apply the full value of the credit against State income tax for the tax year for which the certificate is awarded.

**State Expenditures:** The Comptroller’s Office advises that an estimate of implementation costs is not available at this time. To the extent the bill necessitates one-time start-up costs and/or additional ongoing administrative resources, general fund expenditures for the Comptroller’s Office may increase in fiscal 2026 and/or future years.

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## Additional Information

**Recent Prior Introductions:** Similar legislation has been introduced within the last three years. See SB 655 of 2023 and SB 773 of 2022.

**Designated Cross File:** None.

**Information Source(s):** Comptroller’s Office; Department of State Police; Department of Legislative Services

**Fiscal Note History:** First Reader - January 27, 2025  
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