

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1286
Ways and Means

(Delegate R. Long)

Tax Exemptions - Individuals Detained or Taken Hostage Abroad

This bill exempts individuals who have been detained or taken hostage abroad, or their surviving spouse, from State and local income and property taxes. Local governments are authorized to provide a property tax refund for property taxes paid, under specified circumstances. The Comptroller and the State Department of Assessments and Taxation must (1) regularly contact the U.S. Department of State for information about individuals detained or taken hostage abroad; (2) maintain a list of these individuals; and (3) share the list with each county tax collector. **The bill takes effect June 1, 2025. The income tax exemption applies to taxable years beginning after December 31, 2024, and the property tax exemption applies to taxable years beginning after June 30, 2025.**

Fiscal Summary

State Effect: Potential minimal decrease in general fund and Annuity Bond Fund revenues beginning in FY 2026, to the extent Maryland residents are eligible for the tax exemptions. Reporting requirements can be handled with existing budgeted resources.

Local Effect: Potential minimal decrease in local income tax revenues and local property tax revenues beginning in FY 2026, to the extent Maryland residents are eligible for the tax exemptions.

Small Business Effect: None.

Analysis

Bill Summary: An individual detained or taken hostage abroad is defined as a United States national who, during the taxable year, is: (1) unlawfully or wrongfully

detained abroad, as determined under § 302 of the Robert Levinson Hostage Recovery and Hostage-Taking Accountability Act; or (2) taken hostage abroad, as determined under § 304 of the Robert Levinson Hostage Recovery and Hostage-Taking Accountability Act.

Current Law: Information on the Robert Levinson Hostage Recovery and Hostage-Taking Accountability Act can be found on the U.S. Department of State [website](#).

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Municipal League; Comptroller's Office; State Department of Assessments and Taxation; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2025
caw/hlb

Analysis by: Michael Sanelli

Direct Inquiries to:
(410) 946-5510
(301) 970-5510