

HB0363/673027/1

BY: Ways and Means Committee

AMENDMENTS TO HOUSE BILL 363
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Income Tax – Local**” and substitute “**Local Government – Grant for Recipients of State**”; in line 3, strike “credit against the county” and substitute “grant to recipients of the State”; in lines 4 and 5, in each instance, after “tax” insert “credit”; in line 4, after “children” insert “, subject to certain limitations”; in lines 4 and 5, strike “a credit against the county” and substitute “county grants to recipients of the State”; after line 5, insert:

“BY adding to
Article – Local Government
Section 12–906
Annotated Code of Maryland
(2013 Volume and 2025 Supplement)”;

in line 8, strike “10–706, 10–751, and 10–809” and substitute “10–706 and 10–809”; and after line 10, insert:

“BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–751
Annotated Code of Maryland
(2022 Replacement Volume and 2025 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 12, insert:

Article – Local Government

12–906.

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

(2) "FEDERAL ADJUSTED GROSS INCOME", "FIDUCIARY", "RESIDENT", AND "TAXABLE YEAR" HAVE THE MEANINGS STATED IN § 10-101 OF THE TAX - GENERAL ARTICLE.

(3) "QUALIFIED CHILD" AND "TAXPAYER" HAVE THE MEANINGS STATED IN § 10-751 OF THE TAX - GENERAL ARTICLE.

(B) A COUNTY MAY PROVIDE, BY LAW, FOR A GRANT FOR EACH QUALIFIED CHILD OF A TAXPAYER IF:

(1) THE TAXPAYER HAS FEDERAL ADJUSTED GROSS INCOME LOWER THAN THE THRESHOLD AMOUNT OF \$15,000; AND

(2) THE TAXPAYER AND EACH QUALIFIED CHILD ARE RESIDENTS, OTHER THAN FIDUCIARIES, WHO ON THE LAST DAY OF THE TAXABLE YEAR ARE:

(I) DOMICILED IN THAT COUNTY; OR

(II) MAINTAIN A PRINCIPAL RESIDENCE OR PLACE OF ABODE IN THAT COUNTY.

(C) THE AMOUNT OF A GRANT ALLOWED UNDER THIS SECTION SHALL BE REDUCED BY 10% FOR EACH \$1,000, OR FRACTION THEREOF, BY WHICH THE TAXPAYER'S FEDERAL ADJUSTED GROSS INCOME EXCEEDS THE THRESHOLD

AMOUNT, EXCEPT THAT THE REDUCTION CANNOT REDUCE THE GRANT BELOW ZERO.

(D) A COUNTY MAY PROVIDE, BY LAW, FOR:

(1) THE AMOUNT OF THE GRANT UNDER SUBSECTION (B) OF THIS SECTION; AND

(2) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE GRANT UNDER THIS SECTION.

(E) A COUNTY THAT PROVIDES A GRANT UNDER THIS SECTION SHALL REIMBURSE THE COMPTROLLER FOR REASONABLE EXPENSES INCURRED BY THE COMPTROLLER TO PROVIDE THE COUNTY INFORMATION NECESSARY TO IMPLEMENT THE GRANT.”;

and strike in their entirety lines 19 through 22, inclusive, and substitute:

“(c) (1) A credit allowed under [§ 10–704(a)(1)] § 10–704(B)(1) or § 10–709(b)(1) of this subtitle is allowed against the State income tax only.

(2) A credit allowed under [§ 10–704(a)(2)] § 10–704(B)(2) or § 10–709(b)(2) of this subtitle is allowed against the county income tax only.”.

On page 2, in lines 13, 16, and 20, strike “(1)”, “(2)”, and “(3)”, respectively; in lines 16 and 20, in each instance, strike the bracket; in line 16, strike “ALLOWED UNDER THIS SUBSECTION”; and in line 20, strike “SUBSECTION”.

On pages 2 and 3, strike in their entirety the lines beginning with line 23 on page 2 through line 19 on page 3, inclusive.

(Over)

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On page 3, in line 26, strike “§ 10-751(C)” and substitute “§ 10-751”; and in line 28, strike “, and shall be applicable to all taxable years beginning after December 31, 2026”.