

HOUSE BILL 745

Q3

6lr2209

By: **Delegates Mireku–North, Fair, Pasteur, Roberson, Tomlinson, Woorman, Wu, and Ziegler**

Introduced and read first time: February 4, 2026

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Senior Tax Credit – Refundability**

3 FOR the purpose of making a certain credit against the State income tax for certain
4 residents who are at least a certain age refundable; and generally relating to an
5 income tax credit for seniors.

6 BY repealing and reenacting, with amendments,
7 Article – Tax – General
8 Section 10–754
9 Annotated Code of Maryland
10 (2022 Replacement Volume and 2025 Supplement)

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

13 **Article – Tax – General**

14 10–754.

15 (a) In this section, “eligible taxpayer” means a resident who, on the last day of the
16 taxable year, is at least 65 years old.

17 (b) Except as provided in subsection (c) of this section [and subject to subsection
18 (d) of this section], an eligible taxpayer may claim a credit against the State income tax in
19 an amount equal to:

20 (1) \$1,000 for an eligible taxpayer, other than an individual described
21 under item (2) of this subsection, whose federal adjusted gross income does not exceed
22 \$100,000; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2) for spouses filing a joint return or for a surviving spouse or head of household as defined in § 2 of the Internal Revenue Code whose federal adjusted gross income does not exceed \$150,000:

(i) except as provided in item (ii) of this item, \$1,750; or

(ii) if only one of the individuals filing the joint return is an eligible taxpayer, \$1,000.

(c) For a taxable year in which the September General Fund estimate for the current fiscal year in the September Board of Revenue Estimates report issued during the taxable year is more than 3.75% below the March General Fund estimate for the current fiscal year in the March Board of Revenue Estimates report issued in the taxable year, the amount of the credit allowed under subsection (b) of this section is limited to:

(1) \$500 for an eligible taxpayer, other than an individual described under item (2) of this subsection, whose federal adjusted gross income is at least \$50,000 but does not exceed \$100,000; or

(2) for spouses filing a joint return or for a surviving spouse or head of household as defined in § 2 of the Internal Revenue Code whose federal adjusted gross income is at least \$100,000 but does not exceed \$150,000:

(i) except as provided in item (ii) of this item, \$875; or

(ii) if only one of the individuals filing the joint return is an eligible taxpayer, \$500.

(d) If the credit allowed under this section in [any] A taxable year exceeds the State income tax for that taxable year, the [unused amount of the credit may not be carried over to any other taxable year] **ELIGIBLE TAXPAYER MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2026, and shall be applicable to all taxable years beginning after December 31, 2025.