

# SENATE BILL 793

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6lr3408  
CF 6lr3405

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By: Senator Lam

Introduced and read first time: February 6, 2026

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

### **Income Tax – Credit for Paid Organ Donation Leave**

3 FOR the purpose of allowing a credit against the State income tax for certain qualified  
4 employers who provide certain paid organ donation leave to eligible employees;  
5 allowing a qualified employer to carry over any excess credit to certain taxable years;  
6 and generally relating to a credit against the State income tax for employers that  
7 provide paid organ donation leave.

8 BY adding to

9 Article – Tax – General

10 Section 10-758

11 Annotated Code of Maryland

12 (2022 Replacement Volume and 2025 Supplement)

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

#### **Article – Tax – General**

16 **10-758.**

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

19 (2) “DEPARTMENT” MEANS THE MARYLAND DEPARTMENT OF  
20 HEALTH.

21 (3) “ELIGIBLE EMPLOYEE” MEANS AN INDIVIDUAL WHO:

22 (I) IS EMPLOYED BY A QUALIFIED EMPLOYER; AND

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (II) PROVIDES WRITTEN VERIFICATION FROM A LICENSED  
2 PHYSICIAN THAT THE INDIVIDUAL DONATED ONE OR MORE OF THE INDIVIDUAL'S  
3 ORGANS TO ANOTHER INDIVIDUAL FOR ORGAN TRANSPLANTATION.

4 (4) "ORGAN" HAS THE MEANING STATED IN § 10-208(w) OF THIS  
5 TITLE.

6 (5) "ORGAN DONATION LEAVE" MEANS A PERIOD THAT:

7 (I) AN ELIGIBLE EMPLOYEE IS ABSENT FROM EMPLOYMENT  
8 FOR THE PURPOSE OF DONATING AN ORGAN; AND

12 (6) "QUALIFIED EMPLOYER" MEANS AN EMPLOYER THAT:

13 (I) MAINTAINS A WRITTEN POLICY PROVIDING PAID ORGAN  
14 DONATION LEAVE; AND

15 (II) PAYS AN ELIGIBLE EMPLOYEE AT LEAST 100% OF THE  
16 EMPLOYEE'S REGULAR WAGES DURING ANY ORGAN DONATION LEAVE TAKEN BY THE  
17 ELIGIBLE EMPLOYEE.

18 (B) A QUALIFIED EMPLOYER THAT EMPLOYS AN ELIGIBLE EMPLOYEE MAY  
19 CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT STATED ON THE  
20 TAX CREDIT CERTIFICATE ISSUED UNDER SUBSECTION (D) OF THIS SECTION.

21 (C) (1) FOR THE TAXABLE YEAR IN WHICH AN ELIGIBLE EMPLOYEE  
22 TAKES PAID ORGAN DONATION LEAVE, THE CREDIT ALLOWED UNDER THIS SECTION  
23 EQUALS 100% OF THE WAGES PAID TO THE ELIGIBLE EMPLOYEE DURING THE FIRST  
24 12 WEEKS OF THE ORGAN DONATION LEAVE.

29 (I) THE DATE ON WHICH THE FULL AMOUNT OF THE CREDIT IS  
30 USED; OR

3                   (D) (1) SUBJECT TO THE LIMITATIONS OF THIS SUBSECTION, ON  
4 APPLICATION BY A QUALIFIED EMPLOYER, THE DEPARTMENT SHALL ISSUE A TAX  
5 CREDIT CERTIFICATE IN THE AMOUNT ALLOWABLE UNDER SUBSECTION (C) OF THIS  
6 SECTION.

**(I) THE NAME OF THE QUALIFIED EMPLOYER;**

9 (II) EVIDENCE THAT THE QUALIFIED EMPLOYER IS:

**17 (III) PROOF OF THE WAGES PAID TO EACH ELIGIBLE EMPLOYEE;**

18 (IV) PROOF OF THE PAID ORGAN DONATION LEAVE BENEFITS  
19 ACCRUED TO EACH ELIGIBLE EMPLOYEE; AND

20 (v) ANY OTHER INFORMATION THAT THE DEPARTMENT  
21 REQUIRES.

22 (3) THE DEPARTMENT SHALL NOTIFY THE QUALIFIED EMPLOYER  
23 WITHIN 45 DAYS AFTER THE RECEIPT OF THE APPLICATION OF THE DEPARTMENT'S  
24 APPROVAL OR DENIAL OF THE APPLICATION.

25 (E) ON OR BEFORE JANUARY 31 EACH TAXABLE YEAR, THE DEPARTMENT  
26 SHALL REPORT TO THE COMPTROLLER ON THE TAX CREDIT CERTIFICATES ISSUED  
27 UNDER THIS SECTION DURING THE PRIOR TAXABLE YEAR.

28 (F) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT  
29 REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

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