

Chapter 161

(Senate Bill 202)

AN ACT concerning

**Income Tax Department of Aging – Caregiver Tax Credit Expense Grant
Program – Established**

FOR the purpose of ~~allowing certain caregivers a credit against the State income tax~~ establishing the Caregiver Expense Grant Program in the Department of Aging to award grants to certain caregivers for certain qualified expenses paid or incurred during a taxable year by the caregivers to provide care or support to certain qualified family members; and generally relating to an income tax credit for caregivers the Caregiver Expense Grant Program.

~~BY adding to~~
~~Article – Tax – General~~
~~Section 10–758~~
~~Annotated Code of Maryland~~
~~(2022 Replacement Volume and 2023 Supplement)~~

BY adding to
Article – Human Services
Section 10–1202
Annotated Code of Maryland
(2019 Replacement Volume and 2023 Supplement)

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

Article – ~~Tax – General~~ Human Services**~~10–758.~~ 10–1202.**

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

(2) “CAREGIVER” MEANS AN INDIVIDUAL WHO PROVIDES CARE OR SUPPORT TO A QUALIFIED FAMILY MEMBER.

(3) “LICENSED PHYSICIAN” HAS THE MEANING STATED IN § 14–101 OF THE HEALTH OCCUPATIONS ARTICLE.

(4) “PHYSICIAN ASSISTANT” HAS THE MEANING STATED IN § 15–101 OF THE HEALTH OCCUPATIONS ARTICLE.

(5) “PROGRAM” MEANS THE CAREGIVER EXPENSE GRANT PROGRAM.

(6) (I) “QUALIFIED EXPENSES” MEANS EXPENSES PAID OR INCURRED BY A CAREGIVER FOR GOODS OR SERVICES THAT RELATE DIRECTLY TO THE CARE OR SUPPORT OF A QUALIFIED FAMILY MEMBER, INCLUDING:

1. THE IMPROVEMENT OR ALTERATION OF THE CAREGIVER’S PRIMARY RESIDENCE TO ENABLE OR ASSIST THE QUALIFIED FAMILY MEMBER TO BE MOBILE, SAFE, OR INDEPENDENT;

2. THE PURCHASE OR LEASE OF EQUIPMENT TO ENABLE OR ASSIST THE QUALIFIED FAMILY MEMBER TO CARRY OUT ONE OR MORE DAY-TO-DAY ACTIVITIES;

3. EMPLOYING A HOME CARE AIDE OR PERSONAL CARE ATTENDANT; OR

4. THE COSTS FOR:

A. ADULT DAY CARE;

B. SPECIALIZED TRANSPORTATION;

C. LEGAL OR FINANCIAL SERVICES; OR

D. ASSISTIVE CARE TECHNOLOGY.

(II) “QUALIFIED EXPENSES” DOES NOT INCLUDE:

1. UNSPECIALIZED FOOD, CLOTHING, OR TRANSPORTATION EXPENSES;

2. ORDINARY HOUSEHOLD MAINTENANCE OR REPAIR EXPENSES THAT ARE NOT DIRECTLY RELATED TO OR NECESSARY FOR THE CARE OF THE QUALIFIED FAMILY MEMBER; OR

3. ANY AMOUNT THAT IS PAID OR REIMBURSED:

A. UNDER AN INSURANCE POLICY;

B. BY THE FEDERAL GOVERNMENT;

C. BY THE STATE; OR

D. BY A POLITICAL SUBDIVISION OF THE STATE.

~~(6)~~ (7) “QUALIFIED FAMILY MEMBER” MEANS AN INDIVIDUAL WHO:

~~(I) IS AT LEAST 18 YEARS OLD ON THE LAST DAY OF THE TAXABLE YEAR IN WHICH DAY THAT THE QUALIFIED EXPENSES WERE PAID OR INCURRED BY THE CAREGIVER;~~

~~(II)~~ (I) REQUIRES ASSISTANCE WITH ONE OR MORE DAILY LIVING ACTIVITIES, AS CERTIFIED BY A LICENSED PHYSICIAN, PHYSICIAN ASSISTANT, OR REGISTERED NURSE PRACTITIONER; AND

~~(III) IS AN IMMEDIATE FAMILY MEMBER OF THE CAREGIVER.~~

(II) 1. IS AT LEAST 60 YEARS OLD AND IS CARED FOR BY AN ADULT RELATIVE OR INFORMAL CAREGIVER WHO IS AT LEAST 18 YEARS OLD;

2. HAS ALZHEIMER’S DISEASE OR A RELATED DISORDER AND IS CARED FOR BY AN ADULT RELATIVE OR INFORMAL CAREGIVER WHO IS AT LEAST 18 YEARS OLD; OR

3. IS A CHILD OR AN ADULT WITH DEVELOPMENTAL OR FUNCTIONAL DISABILITIES AND IS CARED FOR BY A PARENT, GRANDPARENT, OR OTHER RELATIVE THAT IS AT LEAST 55 YEARS OLD.

~~(7)~~ (8) “REGISTERED NURSE PRACTITIONER” HAS THE MEANING STATED IN § 8-101 OF THE HEALTH OCCUPATIONS ARTICLE.

(B) THERE IS A CAREGIVER EXPENSE GRANT PROGRAM IN THE DEPARTMENT.

(C) SUBJECT TO THE LIMITATIONS OF THIS SECTION, ~~A CAREGIVER THE DEPARTMENT MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT DETERMINED UNDER SUBSECTION (C) OF THIS SECTION~~ AWARD A GRANT TO A CAREGIVER FOR QUALIFIED EXPENSES PAID OR INCURRED ~~DURING THE TAXABLE YEAR BY THE CAREGIVER~~ IF THE CAREGIVER’S FEDERAL ADJUSTED GROSS INCOME DOES NOT EXCEED:

(1) \$75,000 IF THE CAREGIVER IS FILING AN INDIVIDUAL TAX RETURN; OR

(2) **\$150,000 IF THE CAREGIVER IS FILING A JOINT TAX RETURN.**

~~(C)~~ (D) **A CAREGIVER SHALL APPLY FOR A GRANT UNDER THE PROGRAM IN THE FORM AND MANNER THE DEPARTMENT REQUIRES.**

(E) (1) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE AMOUNT OF THE ~~TAX CREDIT~~ GRANT ALLOWED UNDER SUBSECTION ~~(B)~~ (C) OF THIS SECTION IS EQUAL TO 30% OF THE QUALIFIED EXPENSES PAID OR INCURRED ~~DURING THE TAXABLE YEAR BY THE CAREGIVER~~ THAT EXCEED \$2,000.**

(2) **FOR ANY ~~TAXABLE~~ FISCAL YEAR, THE AMOUNT OF THE ~~TAX CREDIT~~ GRANT MAY NOT EXCEED \$2,500. ~~THE LESSER OF:~~**

~~(I) \$5,000; OR~~

~~(II) THE STATE INCOME TAX IMPOSED FOR THAT TAXABLE YEAR.~~

~~(3) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.~~

~~(D)~~ (F) **FOR ANY FISCAL YEAR, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF UP TO \$5,000,000 TO THE PROGRAM.**

(G) **THE ~~COMPTROLLER~~ DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024, ~~and shall be applicable to all taxable years beginning after December 31, 2023.~~

Approved by the Governor, April 25, 2024.