

SENATE BILL 202

O2

(4lr0475)

ENROLLED BILL

— Budget and Taxation / Appropriations —

Introduced by **Senator Benson**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 ~~Income Tax~~ Department of Aging – Caregiver Tax Credit Expense Grant
3 Program – Established

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

10 ~~BY adding to~~
11 ~~Article – Tax – General~~
12 ~~Section 10-758~~
13 ~~Annotated Code of Maryland~~
14 ~~(2022 Replacement Volume and 2023 Supplement)~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 BY adding to
 2 Article – Human Services
 3 Section 10–1202
 4 Annotated Code of Maryland
 5 (2019 Replacement Volume and 2023 Supplement)

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

8 **Article – ~~Tax—General~~ Human Services**

9 ~~10–758.~~ 10–1202.

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

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

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

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

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

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

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

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

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

31 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;

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

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

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

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

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

17 (1) \$75,000 IF THE CAREGIVER IS FILING AN INDIVIDUAL TAX
 18 RETURN; OR

19 (2) \$150,000 IF THE CAREGIVER IS FILING A JOINT TAX RETURN.

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

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

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

28 (I) \$5,000; OR

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

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

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

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

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2024, ~~and shall be applicable to all taxable years beginning after December 31, 2023.~~

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.