HOUSE BILL 160

Q3
HB 142/15 – W&M

6lr1834
CF 6lr2103

By: **Delegates Krebs, Afzali, Arentz, Aumann, Buckel, Cassilly, Ciliberti, Cluster, Hornberger, S. Howard, Jacobs, Kittleman, Long, McComas, McMillan, Metzgar, Miele, W. Miller, Rose, Saab, Shoemaker, and Vogt**

Introduced and read first time: January 21, 2016
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Personal Exemptions – Inflation Adjustment**

3 FOR the purpose of altering the amount of certain exemptions allowed under the State
4   income tax for certain taxable years by a certain cost–of–living adjustment; and
5   generally relating to a cost–of–living adjustment for certain exemptions allowed
6   under the State income tax.

7 BY adding to
8   Article – Tax – General
9   Section 10–211(c)
10   Annotated Code of Maryland
11   (2010 Replacement Volume and 2015 Supplement)

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

14   **Article – Tax – General**

15 10–211.

16   **(C)**   **(1)**   **FOR EACH TAXABLE YEAR BEGINNING AFTER DECEMBER 31,**
17 **2016, EACH PER–EXEMPTION AMOUNT SPECIFIED IN SUBSECTIONS (A) AND (B) OF**
18 **THIS SECTION SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE PRODUCT OF**
19 **MULTIPLYING THE PER–EXEMPTION DEDUCTION AMOUNT TIMES THE**
20 **COST–OF–LIVING ADJUSTMENT SPECIFIED IN THIS SUBSECTION.**

21   **(2)**   **FOR PURPOSES OF THIS SUBSECTION, THE COST–OF–LIVING**
22 **ADJUSTMENT IS THE COST–OF–LIVING ADJUSTMENT WITHIN THE MEANING OF §**

1 **1(F)(3) OF THE INTERNAL REVENUE CODE FOR THE CALENDAR YEAR IN WHICH A**
2 **TAXABLE YEAR BEGINS, AS DETERMINED BY THE COMPTROLLER BY SUBSTITUTING**
3 **"CALENDAR YEAR 2015" FOR "CALENDAR YEAR 1992" IN § 1(F)(3)(B) OF THE**
4 **INTERNAL REVENUE CODE.**

5   **(3)**   **IF ANY INCREASE DETERMINED UNDER PARAGRAPH (1) OF THIS**
6 **SUBSECTION IS NOT A MULTIPLE OF $50, THE INCREASE SHALL BE ROUNDED DOWN**
7 **TO THE NEXT LOWEST MULTIPLE OF $50.**

8   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2016.