

## Chapter 725

**(House Bill 845)**

AN ACT concerning

**Income Tax – Individual Income Tax Credit Eligibility Awareness Campaign**

FOR the purpose of requiring the Comptroller to implement and administer a certain individual income tax credit eligibility awareness campaign to identify and encourage individuals to apply for certain individual income tax credits; authorizing the Comptroller to enter into a certain data sharing agreement with other State agencies to carry out the awareness campaign; requiring, for certain fiscal years, the Governor to include in the annual budget bill an appropriation for the awareness campaign; and generally relating to an individual income tax credit eligibility awareness campaign.

BY adding to

Article – Tax – General

Section 2–116.1

Annotated Code of Maryland

(2022 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****2–116.1.**

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

**(2) “AWARENESS CAMPAIGN” MEANS THE INDIVIDUAL INCOME TAX CREDIT ELIGIBILITY AWARENESS CAMPAIGN.**

**(3) (I) “INDIVIDUAL INCOME TAX CREDIT” MEANS AN INCOME TAX CREDIT ESTABLISHED UNDER TITLE 10, SUBTITLE 7 OF THIS ARTICLE THAT MAY BE CLAIMED BY AN INDIVIDUAL TAXPAYER.**

**(II) “INDIVIDUAL INCOME TAX CREDIT” DOES NOT INCLUDE AN INCOME TAX CREDIT ESTABLISHED UNDER TITLE 10, SUBTITLE 7 OF THIS ARTICLE THAT MAY BE CLAIMED BY A BUSINESS ENTITY OR FOR BUSINESS PURPOSES.**

**(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE COMPTROLLER SHALL IMPLEMENT AND ADMINISTER AN INDIVIDUAL INCOME TAX CREDIT ELIGIBILITY AWARENESS CAMPAIGN TO:**

**(I) IDENTIFY UNDERSERVED INDIVIDUALS WHO:**

**1. MAY BE ELIGIBLE TO CLAIM AN INDIVIDUAL INCOME TAX CREDIT FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2022, BUT BEFORE JANUARY 1, 2030, BUT DO NOT CLAIM THE INDIVIDUAL INCOME TAX CREDIT DURING THAT SAME TAXABLE YEAR; OR**

**2. CAN BE IDENTIFIED THROUGH ANY OTHER MEANS AS BEING ELIGIBLE TO CLAIM AN INDIVIDUAL INCOME TAX CREDIT BUT HAVE FAILED TO CLAIM THE CREDIT; AND**

**(II) ENCOURAGE INDIVIDUALS IDENTIFIED UNDER ITEM (I) OF THIS PARAGRAPH TO APPLY FOR INDIVIDUAL INCOME TAX CREDITS.**

**(2) THE COMPTROLLER MAY DECIDE WHICH INDIVIDUAL INCOME TAX CREDITS AND UNDERSERVED POPULATIONS TO INCLUDE IN THE AWARENESS CAMPAIGN.**

**(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IN ADMINISTERING THE AWARENESS CAMPAIGN, THE COMPTROLLER:**

**(I) TO ASSIST IN IDENTIFYING INDIVIDUALS UNDER SUBSECTION (B) OF THIS SECTION, MAY PARTNER WITH OTHER STATE AGENCIES BY ENTERING INTO DATA SHARING AGREEMENTS THAT COMPLY WITH PROPER DATA USE STANDARDS THAT ENSURE AN INDIVIDUAL'S INFORMATION REMAINS SECURE; AND**

**(II) SHALL FOR EACH TAXABLE YEAR:**

**1. UTILIZE ANY INFORMATION:**

**A. PROVIDED TO THE COMPTROLLER BY OTHER STATE AGENCIES UNDER ITEM (I) OF THIS PARAGRAPH; OR**

**B. OBTAINED THROUGH ANY OTHER MEANS; AND**

**2. CONTACT AND INFORM EACH INDIVIDUAL IDENTIFIED UNDER SUBSECTION (B) OF THIS SECTION THAT THE INDIVIDUAL MAY BE ELIGIBLE TO CLAIM AN INDIVIDUAL INCOME TAX CREDIT AND HOW TO APPLY FOR THE CREDIT.**

**(2) FOR A DATA SHARING AGREEMENT ENTERED INTO IN ACCORDANCE WITH PARAGRAPH (1)(I) OF THIS SUBSECTION:**

**(I) INFORMATION MAY NOT BE DISCLOSED IF THE DISCLOSURE IS PROHIBITED BY FEDERAL LAW; AND**

**(II) THE COMPTROLLER MAY NOT USE ANY INFORMATION DISCLOSED FOR A PURPOSE OTHER THAN IDENTIFYING INDIVIDUALS WHO MAY BE ELIGIBLE TO CLAIM AN INDIVIDUAL INCOME TAX CREDIT.**

**(D) ~~FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER~~ FOR FISCAL YEARS 2026 THROUGH 2030, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$300,000 TO THE AWARENESS CAMPAIGN.**

**(E) ON OR BEFORE DECEMBER 1, 2026, AND EACH DECEMBER 1 EVERY 2 YEARS THEREAFTER, THE COMPTROLLER SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE IMPLEMENTATION AND ADMINISTRATION OF THE AWARENESS CAMPAIGN AND ITS EFFECT ON THE NUMBER OF INDIVIDUALS WHO HAVE CLAIMED INDIVIDUAL INCOME TAX CREDITS.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024. It shall remain effective for a period of 6 years and 6 months and, at the end of December 31, 2030, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

**Approved by the Governor, May 16, 2024.**