

SENATE BILL 194

Q3

8lr2034

By: **Senators Serafini, Bates, Cassilly, Eckardt, Edwards, Hershey, Hough, Jennings, Norman, Reilly, Salling, Simonaire, and Waugh**
Introduced and read first time: January 17, 2018
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Calculation of Taxable Income – Itemized Deductions – Property Taxes**

3 FOR the purpose of allowing an individual, under certain circumstances, to increase the
4 amount of itemized deductions used to determine Maryland taxable income by a
5 certain amount of real or personal property taxes paid by the individual; providing
6 for the application of this Act; and generally relating to certain itemized deductions
7 under the Maryland income tax.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 10–218(b)
11 Annotated Code of Maryland
12 (2016 Replacement Volume and 2017 Supplement)

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

15 **Article – Tax – General**

16 10–218.

17 (b) An individual who elects to itemize deductions is allowed as a deduction the
18 sum of the individual’s federal itemized deductions:

19 (1) **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION,**
20 limited and reduced as required under the Internal Revenue Code;

21 (2) further reduced by any amount deducted under § 170 of the Internal
22 Revenue Code for contributions of a preservation or conservation easement for which a

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 credit is claimed under § 10–723 of this title; [and]

2 (3) further reduced by the amount claimed as taxes on income paid to a
3 state or political subdivision of a state, after subtracting a pro rata portion of the reduction
4 to itemized deductions required under § 68 of the Internal Revenue Code; AND

5 (4) INCREASED BY THE AMOUNT OF STATE AND LOCAL AND FOREIGN
6 REAL PROPERTY TAXES AND STATE AND LOCAL PERSONAL PROPERTY TAXES
7 REDUCED AS A RESULT OF THE LIMITATION UNDER § 164(B)(6)(B) OF THE
8 INTERNAL REVENUE CODE.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
10 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.