

# HOUSE BILL 1183

Q3

1lr2848

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By: **Delegate Kipke**

Introduced and read first time: February 8, 2021

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Standard Deduction – Charitable Contributions**

3 FOR the purpose of altering the calculation of a certain standard deduction allowed under  
4 the Maryland income tax to include, under certain circumstances, a certain  
5 adjustment for certain charitable contributions; providing for the application of this  
6 Act; and generally relating to the standard deduction allowed under the Maryland  
7 income tax.

8 BY repealing and reenacting, with amendments,  
9 Article – Tax – General  
10 Section 10–217  
11 Annotated Code of Maryland  
12 (2016 Replacement Volume and 2020 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 10–217.

17 (a) (1) (i) Except as otherwise provided in this subsection, an individual  
18 may elect to use the standard deduction to compute Maryland taxable income whether or  
19 not the individual itemizes deductions on the individual's federal income tax return in  
20 determining federal taxable income.

21 (ii) If an individual elects to use the standard deduction on the  
22 federal income tax return, the individual may not take any itemized deduction in § 10–218  
23 of this subtitle.

24 (2) A fiduciary may not use the standard deduction.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) Subject to the limitation in subsection (c) of this section, the standard  
2 deduction for an individual is an amount equal to **THE SUM OF:**

3 (1) 15% of the individual's Maryland adjusted gross income; **AND**

4 (2) **IF THE INDIVIDUAL DOES NOT ITEMIZE DEDUCTIONS ON THE**  
5 **INDIVIDUAL'S FEDERAL INCOME TAX RETURN, 25% OF THE AMOUNT THAT WOULD**  
6 **HAVE BEEN ALLOWED AS A DEDUCTION UNDER § 170 OF THE INTERNAL REVENUE**  
7 **CODE HAD THE INDIVIDUAL ITEMIZED DEDUCTIONS ON THE INDIVIDUAL'S FEDERAL**  
8 **INCOME TAX RETURN.**

9 (c) (1) For an individual other than one described in paragraphs (2) and (3) of  
10 this subsection, the standard deduction:

11 (i) may not be less than \$1,500; and

12 (ii) may not exceed \$2,250.

13 (2) For an individual described in § 2 of the Internal Revenue Code as a  
14 head of household or as a surviving spouse, the standard deduction:

15 (i) may not be less than \$3,000; and

16 (ii) may not exceed \$4,500.

17 (3) For spouses on a joint return, the standard deduction:

18 (i) may not be less than \$3,000; and

19 (ii) may not exceed \$4,500.

20 (d) (1) For each taxable year beginning after December 31, 2018, each  
21 minimum and maximum standard deduction limitation amount specified in subsection (c)  
22 of this section shall be increased by an amount equal to the product of multiplying the  
23 minimum and maximum standard deduction limitation amount by the cost-of-living  
24 adjustment specified in this subsection.

25 (2) For purposes of this subsection, the cost-of-living adjustment is the  
26 cost-of-living adjustment within the meaning of § 1(f)(3) of the Internal Revenue Code for  
27 the calendar year in which a taxable year begins, as determined by the Comptroller, by  
28 substituting "calendar year 2017" for "calendar year 2016" in § 1(f)(3)(A) of the Internal  
29 Revenue Code.

30 (3) If any increase determined under paragraph (1) of this subsection is not  
31 a multiple of \$50, the increase shall be rounded down to the next lowest multiple of \$50.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
2 1, 2021, and shall be applicable to all taxable years beginning after December 31, 2020.